

THE EMBROIDERERS' GUILD

England & Wales · Charity number 234239

Details

Other names	THE EMBROIDERERS' GUILD
Status	Registered
Legal form	Charitable company
Company number	00294310
Registered	1964-05-08
Register	View on the Charity Commission register

Contact

Address	Bucks County Museum Church Street Aylesbury Bucks HP20 2QP
Phone	07455597039
Email	receptionist@embroiderersguild.com
Website	www.embroiderersguild.com

Activities

Objects: A) TO PROMOTE AND ENCOURAGE THE ART OF EMBROIDERY AND RELATED AND ENCOURAGE THE CREATION OF FINE ARTICLES INCORPORATING THE USE OF OR ASSOCIATED WITH EMBROIDERY; B) TO EDUCATE THE PUBLIC IN THE HISTORY AND ART OF EMBROIDERY AND TO UNDERTAKE OR SUPPORT RESEARCH IN THAT SUBJECT AND TO PUBLISH THE USEFUL RESULTS OF THAT RESEARCH; AND C) TO COLLECT, DOCUMENT, PRESERVE, EXHIBIT AND INTERPRET EXAMPLES OF FINE EMBROIDERY WHICH ARE OF HISTORICAL OR EDUCATIONAL MERIT AND TO MAKE AVAILABLE TO THE PUBLIC SUCH ARTICLES.

Activities: The Embroiderers Guild is a national educational charity with around 1500 members and a network of just over 100 affiliated independent stitch groups. It has a museum with a unique global collection and offers a programme of exhibitions, events, workshops and lectures. It also has a specialist library and publishes Embroidery the successful textile art magazine.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

Geography

- Isle Of Man
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£166,531	£141,409	-	-
2024-08-31	£205,367	£137,470	-	-
2023-08-31	£140,237	£83,076	-	-
2022-08-31	£83,329	£188,175	-	-
2021-08-31	£264,725	£481,986	-	-

Trustees

Name	Role	Appointed
ANTHEA GODFREY		2016-01-20
Alex Messenger		2016-01-28
Amanda Smith		2016-01-28
Anne Haigh		2021-07-08
Helen Miller		2021-06-27
Lucy Fitzpatrick		2025-09-11
Penny Hill		2016-01-28

Linked charities

- THE EMBROIDERERS' GUILD HEADQUARTERS' APPEAL FUND (234239-1)

THE EMBROIDERERS' GUILD

England & Wales - Charity number 234239

Accounts

REGISTERED COMPANY NUMBER: 00294310 (England and Wales)
REGISTERED CHARITY NUMBER: 234239

THE EMBROIDERERS' GUILD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

THE EMBROIDERERS' GUILD

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

	Page
Reference and Administrative Details	1
Trustees' Report	2 to 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Statement of Financial Position	13 to 14
Notes to the Financial Statements	15 to 23

THE EMBROIDERERS' GUILD

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2025

TRUSTEES	Ms A Godfrey Ms A Haigh Dr P Hill Ms A Messenger Ms H Miller Ms A Smith Ms L Rigden (resigned 7.3.25) Ms L Fitzpatrick (appointed 11.9.25)
REGISTERED OFFICE	Discover Bucks Museum Church Street Aylesbury HP20 2QP
REGISTERED COMPANY NUMBER	00294310 (England and Wales)
REGISTERED CHARITY NUMBER	234239
INDEPENDENT EXAMINER	TCA (Shrewsbury) LLP Third Floor 21 St Mary's Street Shrewsbury Shropshire SY1 1ED

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Vision

Our commitment is to educate, inspire, and promote the allure of embroidery as a creative art form that both preserves tradition and inspires contemporary innovation.

We achieve this by promoting and celebrating the art of embroidery, fostering an environment where excellence and creativity flourish, whilst educating the public in the history of stitch and textile art. The Guild's commitment to education and community engagement ensures that the legacy of embroidery is passed on and evolves with each new generation of textile artists.

We offer a wide range of activities and resources. We provide experiences through workshops that educate and inform, exhibitions that captivate, and publications that inspire. We curate the Guild Collection, one of the finest in the world, a treasure trove of embroidery from the 8th century to the present day, serving as both a museum and classroom. We support students and graduates through awards and scholarships, run competitions for all, inspire artists and share new work.

Objectives

The principal objectives of the Charity as defined in the Articles of Association are to:

- Encourage new generations to stitch - whether for pleasure, technical excellence, or artistic merit.
- Support all who teach, learn, explore, and extend the boundaries of the art of stitch.
- Publish the history of stitch and support contemporary research.
- Collect, preserve, and exhibit items of historical and contemporary significance.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Significant activities

Activities for the Public Benefit

Although the Guild has seen, along with other organisations, financial pressures due to the continued rise in the cost of living the Trustees have continued to work to deliver activities that meet the Guild's objectives. Due to cost pressures the Trustees have remained focused on activities that are less dependent on face-to-face contact, will appeal to members and the wider public, and that will provide some contribution towards gaining continued financial stability for the Guild. These include:

1. Virtual educational talks with a range of artists and makers
 - a. Advertised on our website, in our monthly newsletters, through social media, Stitch and Embroidery magazines and our ticket provider, Eventbrite.
 - b. Online booking through Eventbrite to minimise administration costs.
2. Providing introductory courses and workshops for beginners and students.
3. Continuing to provide a series of online creative workshops and demonstrations available live and on demand, at a nominal rate for members and available to non-members for a relatively low fee.
4. In the early Autumn of 2024, we launched a new book project. We asked members to create one or more pieces of artwork based on the high-quality designs taken from transfers produced by the Guild over many years. The designs lend themselves to interpretation in both traditional and contemporary ways. Over 250 members expressed an interest in being involved and over 450 samples were produced. Two books are in the process of being produced using a selection of the samples illustrating the broad range of possible interpretations and demonstrate different responses from simple to wildly creative.
5. Supporting embroidery/textile graduates to showcase their work by exhibiting at the Knitting & Stitching Shows in London and Harrogate. Stands are provided free of charge and a small grant to cover expenses is provided along with advice on stand presentation and the retail of small items.
6. Having a stand at Fashion and Embroidery Show, NEC Birmingham in March on which we undertook 'make and take' sessions which members of the public attending the show could join to learn more about embroidery stitches. We also offered dedicated sessions in the formal workshop areas at the Show. In addition, we had a dedicated gallery at the Show exhibiting Members' Project theme Repair, Restore, Recreate and the Members' Challenge theme Opposites Attract.
7. Setting and judging a Members' Challenge for the year, the theme for 2024-25 was 'Colour Rhythms'. Members' Challenge pieces are exhibited each Autumn at the Knitting & Stitching Shows. The overall winner for 2024-25 received a prize of £200. There were also winners who excelled in five categories which highlighted different aspects of embroidery and commemorated well-known embroiderers, who in the past, have contributed greatly to embroidery teaching. We welcomed Janome as sponsor for the 2024-25 Members' Challenge and the introduction of a new award category: The Janome Award for the Inspired Use of Machine Stitches which encourages the exploration and creative use of machine stitches. There was an online event in April announcing the winners and celebrating the entries. An e-book of all entrants was produced and is available on the Guild website for all to see. Stitch and Embroidery magazines also featured the winners covering how they utilised the theme for inspiration and design.
8. The annual Members' Project is purely for participation and enjoyment. The theme set for 2024-25 was 'Land and Sea', the previous year was 'Repair, Restore, Recreate'. Members' pieces were wide ranging in interpretation of the theme. Members' Project pieces are exhibited each year in the Autumn at the Knitting and Stitching Shows.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

9. Continued publishing Embroidery Magazine, exploring old and new techniques and promoting textile artists from around the world. Providing digital access to Embroidery Magazine in a variety of forms, including a full archive of all back issues over the past 92 years, to enable readers across the globe to access the publication easily, cost effectively and in a more climate friendly manner. However, many want to enjoy reading a print copy of the magazine to immerse themselves in great art whilst relaxing. To further boost circulation and share the joy of textile art further afield in November 2024 we started providing the magazine in Tesco superstores as part of our retail distribution channel which provides print copies to major newsagents, bookstores and retailers across the UK, Europe, USA, Canada, Australia and South Africa. This retail launch coincided with producing a bumper pack in collaboration with Wonderfil threads offering a pack of Dazzle threads with each magazine sold in UK newsagents and retailers.

10. Continued maintenance of the Guild Collection at Discover Bucks Museum, whilst adding further donations, enhancing the representation of contemporary artists from the 20th and 21st centuries. In addition, a revaluation of the collection was commenced to establish an up-to-date value of the collection for insurance purposes.

11. During the year we continued our digitisation project which was launched in October 2023, photographing our collection of embroidered items to enable embroidery and textile lovers to see what we have in our collection through the Art UK website alongside other textile and art collections.

12. Throughout 2025 exhibited a selection of items from the Guild Collection at Discover Bucks Museum. The exhibition, 'On a Grand Scale', an exhibition of larger-than-life items from the collection.

13. Recycled books, fabric, threads, and other haberdashery items from donated items into inspiration packs for sale at shows. We produced display boards for Shows with examples demonstrating how to use inspiration packs.

14. We continued to offer the Inspired to Create suite of Distance Learning Courses. These courses focus on design, discovery and play and provide a structured pathway for students of all ages to develop their own unique and individual style. The courses are supported by a tutor who is available to answer individual student queries. There are also online community sessions available with an experienced presenter for students to share their experiences. We continued to populate the courses blog with useful articles and ideas to support current students and encourage others to get started on their creative journey.

15. In early August in partnership with Wonderfil, we attended the Festival of Quilts at the NEC in Birmingham promoting Guild membership and Embroidery magazine. A joint competition was run to encourage sign-up to our monthly What's On newsletter which highlights Guild activities and events plus other events and opportunities of interest in the embroidery and textile art world.

Assessing Achievements

- All our activities have been inclusive across communities involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Adopting the lowest cost, digital administration processes, and communications including the use of social media to greater effect to improve our engagement with the wider community.
- Increased use of digital platforms has enabled the Guild to reach more people and create cost effective events for a worldwide audience.
- Holding exhibitions of embroidery and textile art into high footfall venues, raising the exposure of the Guild and the artistry of stitch by a factor of several thousands. This was achieved at the Knitting and Stitching shows at Alexandra Palace and Harrogate in 2024 and Fashion and Embroidery Show and Festival of Quilts at the NEC Birmingham in 2025.
- Digitising the Collection is a huge project. At the end of 2024-25 we had photographed 4,000 items, 66% of the Collection. It has enabled us to gain more knowledge about our collection and streamline storage to make more space.
- The workshops and make and takes at the Fashion and Embroidery Show provided an additional avenue for the exposure to the public and offered attendees the opportunity for a hands-on experience.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

OBJECTIVES AND ACTIVITIES

Public benefit

Most activities we have undertaken (listed above) have been for the benefit of everyone who wants to engage with them, through exhibition or virtual talks and workshops. Therefore, this fulfils the public benefit requirement and contributes to the objects and related aims of the charity.

Members, volunteers, and Trustees are mindful of the benefit to the public that embroidery brings and therefore conscious of it when planning events. Guild activities except projects and challenges are open to non-members as well as members. We have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

Additional Information

During the 2024-25 financial year and subsequently the Guild has continued as a volunteer run organisation. This has been achieved with significant effort from Trustees and volunteers.

During the financial year volunteering activity included

- Assisting with the EG Collection, folios, and library.
- Publishing two monthly newsletters each month, Guild Bulletin and What's On.
- Continued to add content to our website, increasing the on-line resources available to members.
- Organised insurance for the Collection. We covered the expense of insurance for stand-alone Young Embroiderers groups for the whole of 2024-25.
- Providing assistance and funding for DBS checks for volunteers of young embroidery groups
- Running national projects including Members' challenge 'Colour Rhythms' and Members' Project 'Land and Sea'.
- Organising a programme of events and activities for members and non-members.
- Governance and administration of the Guild and Embroiderers' Guild Enterprises Ltd, our publishing trading company.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Main Achievements in relation to direct beneficiaries

- The annual 'Members' Challenge which encourages excellence in design, skills, and interpretation.
- Provided details of Affiliated Stitch Groups on the Guild website, arranged geographically so that those who are interested can easily find a group in their area.
- Published eBooks for members and the public to enable them to view contributions to member projects and challenges.
- Answered questions and provided advice to the public on a wide range of embroidery related queries.
- Reimbursed the entry to Discover Bucks Museum for any member who visited to view the Embroiderers' Guild exhibition On a Grand Scale.
- Offered the option to purchase gift memberships, and the option to spread the annual membership fee over 12 months. Introduced a further membership option of 5-10 year membership.

Main Achievements in relation to society as a whole

- Planned and provided access for non-members to virtual talks and online creative workshops
- The talks and workshops covered a wide range of topics some of more general interest. Promoted on social media platforms to ensure the widest reach to interested audiences.
- Planning of exhibitions for Knitting and Stitching Shows in Autumn 2025.
- Continued to offer 'Inspired to Create' distance learning courses on a readily accessible easy to use platform along with a general advisory and inspirational blog.
- Continued a Collection Digitisation project. The project is photographing in detail items from the Guild Collection and hosting the images on a publicly available website enabling research and general learning by a range of individuals and groups. Provided a free talk on the project in collaboration with the Crewel-work company as part of a give-back weekend in Nov/Dec 2024.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

ACHIEVEMENTS AND PERFORMANCE

Fundraising activities

- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships or magazine subscriptions.

ACHIEVEMENT AND PERFORMANCE 2024-25

During 2024-25 member numbers remained stable but did not increase significantly, however costs did not exceed income. The Trustees have contained costs by the continued use of voluntary support, mostly via the Trustees themselves. During 2024 the Trustees have looked to further develop activities and events to retain and attract new members and provide alternative income sources. This has enabled a limited level of contract expertise to be introduced to reduce volunteer fatigue and start to rebuild a more robust organisation with sound processes for the medium to long-term.

Current factors influencing the future of the Charity are:

- The public perception of embroidery and the Guild itself, although this is improving through the activities planned and helped by the current Trustees and volunteers.
- An ageing membership.
- Independent stitch group members don't see a benefit in remaining affiliated with the Embroiderers' Guild
- Unfilled vacancies within the governance and volunteering structure coupled with volunteer fatigue.
- Streamlining administration costs. During 2024-25 costs continued to be reviewed and tightly controlled to ensure that costs did not exceed income and that any legacies received could be ringfenced for projects that would further stabilise the Guild from a financial and public perception perspective.
- Seeking new ways of working that reduce cost while creating opportunities for income generation.
- The need to respond to an increasing expectation of access to digital services and online content.
- Finding a way of engaging, supporting and encouraging young people who have not experienced creative education or family encouragement to enable them to build career aspirations and skills for the future.

FINANCIAL REVIEW

Financial position

The main sources of income of the Guild are members' subscriptions, donations, legacies, and profit on the sale of magazines from the trading company EG Enterprises Limited, (EGE). During 2024-25 the Trustees sought new income sources and additional online workshops and demonstrations have been well received and proven a good source of revenue. This has built on the changing social landscape, industrial unrest and increased climate change awareness. People are getting used to using virtual platforms to communicate with others. The Embroiderers' Guild recorded a surplus of £25,122 (2024: surplus of £67,897). The Guild surplus was due to the receipt of two legacies received during the year. The Guild continues to be extremely grateful to its benefactors. The Trustees are committed to monitoring and exercising tight control over all costs. During 2024-25 they have invested working capital, restricted funds and legacies received in savings deposits to generate income. The intention is that this along with careful financial control will achieve a target of breaking even in future financial years.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

FINANCIAL REVIEW

Reserves policy

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities. In previous years the Trustees have been unable to utilise the restricted fund "Teaching Support Nottingham" due to the limited purposes applied to the funds. During 2021-22, the Trustees obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator to further education on embroidery. The balance of this fund is currently £28,094. The other restricted fund for the upkeep of the Collection which had a balance brought forward of £10,405, at 31 August 2025 is now £nil. The Trustees have established a designated Collection fund to ensure that the costs of maintaining, storage, insurance and curation of the Collection can be covered for at least three years, this is £155,000. One years worth of operating costs £105,674 have also been designated. The balance of unrestricted funds on 31st August 2025 was in total £473,955. The free reserves of the charity at 31st August 2025 is £203,181. Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild has set up a saving deposit platform with CAF/Flagstone to ensure all Guild funds are protected by the FSCS (Financial Services Compensation Scheme). Funds are held on this platform to generate interest income.

Going concern

The Guild remains conservative in its projections for 2025-26, due to the continued rising cost of living. For some the annual membership will prove a luxury they will no longer be able to afford. Due to significant effort on behalf of the Trustees the Guild's operating costs have not significantly exceeded income for 2024-25. Events, the Inspired to Create courses and the interest received from savings deposits are starting to provide a consistent income. Providing the Trustees continue to control costs and efficiently implement effective new income generation ideas for which there is sufficient support from members and volunteers the Guild may be able to break even in 2025-26.

FUTURE PLANS

The future direction of the charity is to:

- Attract a new membership drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and those, who wish to pursue a previous or new interest in stitch and textile art for pleasure and general well-being.
- Extend its distance learning offering and capacity to become a significant income stream.
- Further extend its on-line capabilities as part of a digital strategy that will enable the widest access to its resources and become a portal-of-choice for the wider stitch community.
- Continue to extend its reach into the public domain with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate, and motivate that audience to support and/or participate.
- Continue with Graduate and Scholar Showcase at future Knitting and Stitching and other shows to highlight young talent in the world of embroidery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Articles of Association approved by members at an Extraordinary General Meeting (EGM) held on 20th June 2015. It is recognised the Articles need reviewing however the Trustees have had higher priorities, so it is still to be done.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees may be nominated by members of the Guild and are appointed by the Trustees. During the significant changes during the past three years the Trustees have worked together as a team, pooling their skills and experience to complete the activities and tasks required to resolve the Guild's financial difficulties. The recovery work is still ongoing and part of this will include the Trustees reviewing how the Guild should be structured and administered. This will include a review of the appropriateness of the Trustee Seats for the future. The Chair of the Board of Trustees is elected by the members of the board from their number. The period of "office" as Chair of the Board is normally between 2 and 4 years. During the past year Dr Penny Hill has deputised as Chair of the Board. The review of the structure and administration will include redefining the role of Chair of the Board of Trustees and seeking an appropriate person to fulfil that role.

Organisational structure

During the year ended 31st August 2025 the Guild comprised of the Board of Trustees and volunteers in particular volunteers working at Discover Bucks Museum. During the year ended 31 August 2025 the Trustees contracted with sole traders, private limited companies, and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking, and, from time-to-time, legal advice. Contractors and volunteers worked remotely from home with reliable communication links between each other and the Trustees.

Membership

At the end of August 2025, the Guild had 1,593 adult members. These comprise Life Members and individual Members. Young embroiderers are no longer required to be members of an affiliated independent stitch group. Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2024-25.

The Trading Company - EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly owned subsidiary, EG Enterprises Ltd, continues to publish Embroidery magazine. The directors of EG Enterprises Ltd are drawn from the Trustees, and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not directly employ staff, nor does it have separate premises. However, it is assigned a share of Guild resources sufficient only to publish and distribute the magazine. EG Enterprises Ltd may develop new and alternative income streams, but it has no working capital. Taxable profits are gifted to the Guild.

Decision making

Board of Trustees

Due to current circumstances the Board of Trustees meets two to three times each month, as it governs and operates the Charity. The Board's focus is on the Objectives and Activities. The Trustees regularly declare any conflicts of interest as part of the Board meeting process to recognise, manage and eliminate the possibilities of risks related to the activities of Trustees and related parties (company directors or family members). The authority of the Trustees is set out clearly in the Articles of Association approved by members at the EGM on 20th June 2015. The Board of Trustees are responsible for operational decisions and contracting with others. Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either by a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM. Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board. All Trustees are required to sign and observe a 'Code of Conduct'. Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Risks facing the Charity

The Guild maintains and regularly reviews a register of high-risk topics and factors that have the potential to undermine the viability of the charity and/or the wholly owned trading subsidiary, EG Enterprises Ltd. The Board of Trustees meet two to three times a month and this enables the Trustees to actively manage risks effectively. Risks are as follows:

- Declining membership income due, in part, to the current age profile of the membership.
- Inflation impacting on the amount of disposable income people have available to spend on memberships and recreational activities.
- Availability of suitably skilled volunteer resources to undertake activities to manage the Guild, especially in developing new activities and projects.
- Unwillingness of some members to donate given past issues. This is a significant risk given the Guild relies on membership fees and donations to fund its activities, especially in developing new activities and projects. Viability of the charity remains a risk because of uncertainty over membership renewals for 2025-26 and availability of suitably skilled resources to manage and initiate new activities.

Risks facing the wholly owned subsidiary, EG Enterprises Ltd

- Embroidery magazine ceases to make a trading profit and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. A detailed review of all costs has been undertaken to ensure effective cost management. Increased social media presence, an increased range of subscription options and the launch into the newstrade across the world has helped retain and attract new subscribers during the year.
- Continued increases in costs across the board. Postal and courier costs in particular have impacted the overall profitability.
- Impact of the changing face of the high street on the retail distribution model.

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of The Embroiderers' Guild for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE EMBROIDERERS' GUILD
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The Trustees are responsible for the Guild keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on.....18th Feb 2026.....and signed on its behalf by:

.....*Penny Hill*.....
Dr P Hill - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE EMBROIDERERS' GUILD**

Independent examiner's report to the trustees of The Embroiderers' Guild ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

C Moelwyn Williams

C Moelwyn-Williams BSc FCA

TCA (Shrewsbury) LLP
Third Floor
21 St Mary's Street
Shrewsbury
Shropshire
SY1 1ED

Date: 25/2/2026

THE EMBROIDERERS' GUILD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	32,569	3,925	36,494	96,427
Charitable activities	4				
Member activities		2,088	-	2,088	976
Education		16,065	115	16,180	15,705
Exhibitions and shows		11,879	-	11,879	12,048
Membership		45,297	-	45,297	40,832
Collection and curatorial		-	4,736	4,736	-
Investment income	3	49,857	-	49,857	39,379
Total		<u>157,755</u>	<u>8,776</u>	<u>166,531</u>	<u>205,367</u>
EXPENDITURE ON					
Charitable activities					
Member activities		2,943	-	2,943	7,242
Education		11,106	8,400	19,506	72,743
Exhibitions and shows		5,330	1,971	7,301	8,486
Membership		18,356	3,888	22,244	26,886
Collection and curatorial		23,454	54,569	78,023	21,798
Young Embroiderers		-	276	276	315
Other		11,116	-	11,116	-
Total		<u>72,305</u>	<u>69,104</u>	<u>141,409</u>	<u>137,470</u>
NET INCOME/(EXPENDITURE)		85,450	(60,328)	25,122	67,897
RECONCILIATION OF FUNDS					
Total funds brought forward		388,505	97,198	485,703	417,806
TOTAL FUNDS CARRIED FORWARD		<u><u>473,955</u></u>	<u><u>36,870</u></u>	<u><u>510,825</u></u>	<u><u>485,703</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE EMBROIDERERS' GUILD

STATEMENT OF FINANCIAL POSITION

31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Heritage assets	8	10,000	-	10,000	10,000
Investments	9	100	-	100	100
		10,100	-	10,100	10,100
CURRENT ASSETS					
Debtors	10	15,626	-	15,626	3,192
Cash at bank		501,196	36,870	538,066	502,936
		516,822	36,870	553,692	506,128
CREDITORS					
Amounts falling due within one year	11	(52,967)	-	(52,967)	(30,525)
NET CURRENT ASSETS		463,855	36,870	500,725	475,603
TOTAL ASSETS LESS CURRENT LIABILITIES		473,955	36,870	510,825	485,703
NET ASSETS		473,955	36,870	510,825	485,703
FUNDS	12				
Unrestricted funds				473,955	388,505
Restricted funds				36,870	97,198
TOTAL FUNDS				510,825	485,703

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

THE EMBROIDERERS' GUILD

STATEMENT OF FINANCIAL POSITION - continued

31 AUGUST 2025

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

18th Feb 2026

..... *Penny Hill*
Dr P Hill - Trustee

The notes form part of these financial statements

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 AUGUST 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Heritage assets

The Guild maintains a collection of embroidery and related items. This collection of approximately 8,500 items has been built up over many years. The Collection is currently valued at £642,000, this figure is for insurance purposes only and is not reflected as an asset in the accounts. The original cost of individual items acquired historically is not available. Many items have been donated. The nature of the collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

Discover Bucks Museum provides storage and curatorial services for the Guild Collection. It is stored in accordance with museum standards for textiles at the Discover Bucks Museum Resource Centre. Details and storage locations for collection items are maintained on a recognised museum industry software system called Modes. Formal accession documentation and processes for additions and disposals are in place overseen by the Trustees responsible for the Collection. A rolling annual condition review is undertaken as part of the Discover Bucks curatorial services as well as planning and organising an exhibition of Collection items at Discover Bucks Museum which runs from late January to early December each year. The exhibition is open to members of the public.

Taxation

The charity is exempt from corporation tax on its charitable activities.

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	5,557	4,579
Gift aid	10,937	4,917
Legacies	20,000	86,931
	<u>36,494</u>	<u>96,427</u>

3. INVESTMENT INCOME

	2025	2024
	£	£
Dividends received	20,634	24,442
Interest Income	29,223	14,937
	<u>49,857</u>	<u>39,379</u>

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2025 £	2024 £
Member activities	Member activities	-	976
Members Challenge	Member activities	1,984	-
Members Project	Member activities	104	-
Education	Education	-	15,705
Workshop Income	Education	3,874	-
EG Courses	Education	4,939	-
Thread Talks Income	Education	7,367	-
Exhibitions and shows	Exhibitions and shows	11,879	12,048
Membership	Membership	45,297	40,832
Collection & curatorial	Collection and curatorial	4,736	-
		<u>80,180</u>	<u>69,561</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

The Trustees do not reclaim travel or incidentals in relation to their Trustee duties. Currently the Guild relies upon the Trustees undertaking operational and project management roles on an unpaid basis. During the year Trustees were reimbursed only for travel and accommodation (excluding meals or subsistence) relating to transportation of exhibits and retail items to Shows and undertaking the Digitisation Project at Halton, Aylesbury. The total amount reimbursed was £13,464 (2024: 6 Trustees, £13,774).

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	95,067	1,360	96,427
Charitable activities			
Member activities	976	-	976
Education	15,705	-	15,705
Exhibitions and shows	12,048	-	12,048
Membership	40,832	-	40,832
Investment income	39,379	-	39,379
Total	<u>204,007</u>	<u>1,360</u>	<u>205,367</u>
EXPENDITURE ON			
Charitable activities			
Member activities	7,242	-	7,242
Education	17,003	55,740	72,743

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Exhibitions and shows	8,486	-	8,486
Membership	26,886	-	26,886
Collection and curatorial	-	21,798	21,798
Young Embroiderers	315	-	315
Total	59,932	77,538	137,470
NET INCOME/(EXPENDITURE)	144,075	(76,178)	67,897
RECONCILIATION OF FUNDS			
Total funds brought forward	244,430	173,376	417,806
TOTAL FUNDS CARRIED FORWARD	388,505	97,198	485,703

7. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 September 2024 and 31 August 2025	36,640
AMORTISATION	
At 1 September 2024 and 31 August 2025	36,640
NET BOOK VALUE	
At 31 August 2025	-
At 31 August 2024	-

8. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 September 2024 and 31 August 2025	10,000
NET BOOK VALUE	
At 31 August 2025	10,000
At 31 August 2024	10,000

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

9. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
MARKET VALUE	
At 1 September 2024 and 31 August 2025	100
NET BOOK VALUE	
At 31 August 2025	100
At 31 August 2024	100

There were no investment assets outside the UK.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade debtors	-	115
Other debtors	122	419
Prepayments and accrued income	15,504	2,658
	<u>15,626</u>	<u>3,192</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 £
Trade creditors	14,156	11,258
Amounts owed to group undertakings	29,079	6,483
Other creditors	172	285
Accruals and deferred income	9,560	12,499
	<u>52,967</u>	<u>30,525</u>

Included within accruals and deferred income is deferred income of £3,570, in respect of sponsorship of Embroiderers' Guild Members Challenge 25/26, 5-10 year memberships and Members Project/Challenge 25/26 received during this financial year in relation to future financial years. £1,450 will be released in the financial year ended 31 August 2026 and the remainder of memberships will be released in each future financial year.

In the year ended 31 August 2024, accruals and deferred income included deferred income of £1,500. £1,500 has been released within this financial year.

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

12. MOVEMENT IN FUNDS

	At 1.9.24 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
Unrestricted funds				
General fund	345,348	85,450	(217,517)	213,281
Designated - Collection costs	43,157	-	111,843	155,000
Designated - Operating costs	-	-	105,674	105,674
	<u>388,505</u>	<u>85,450</u>	<u>-</u>	<u>473,955</u>
Restricted funds				
Collection	10,405	(10,405)	-	-
Teaching Support Nottingham	86,793	(58,699)	-	28,094
Collection Conservation	-	4,736	-	4,736
Digitisation Stage 2	-	1,143	-	1,143
Graduate & Scholarships	-	2,897	-	2,897
	<u>97,198</u>	<u>(60,328)</u>	<u>-</u>	<u>36,870</u>
TOTAL FUNDS	<u>485,703</u>	<u>25,122</u>	<u>-</u>	<u>510,825</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	157,755	(72,305)	85,450
Restricted funds			
Collection	-	(10,405)	(10,405)
Teaching Support Nottingham	-	(58,699)	(58,699)
Collection Conservation	4,736	-	4,736
Digitisation Stage 2	1,143	-	1,143
Graduate & Scholarships	2,897	-	2,897
	<u>8,776</u>	<u>(69,104)</u>	<u>(60,328)</u>
TOTAL FUNDS	<u>166,531</u>	<u>(141,409)</u>	<u>25,122</u>

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	244,430	144,075	388,505
Restricted funds			
Collection	30,843	(20,438)	10,405
Teaching Support Nottingham	142,533	(55,740)	86,793
	<u>173,376</u>	<u>(76,178)</u>	<u>97,198</u>
TOTAL FUNDS	<u>417,806</u>	<u>67,897</u>	<u>485,703</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	204,007	(59,932)	144,075
Restricted funds			
Collection	1,360	(21,798)	(20,438)
Teaching Support Nottingham	-	(55,740)	(55,740)
	<u>1,360</u>	<u>(77,538)</u>	<u>(76,178)</u>
TOTAL FUNDS	<u>205,367</u>	<u>(137,470)</u>	<u>67,897</u>

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2025

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.23 £	Net movement in funds £	Transfers between funds £	At 31.8.25 £
Unrestricted funds				
General fund	244,430	229,525	(217,517)	256,438
Designated - Collection costs	-	-	111,843	111,843
Designated - Operating costs	-	-	105,674	105,674
	<u>244,430</u>	<u>229,525</u>	<u>-</u>	<u>473,955</u>
Restricted funds				
Collection	30,843	(30,843)	-	-
Teaching Support Nottingham	142,533	(114,439)	-	28,094
Collection Conservation	-	4,736	-	4,736
Digitisation Stage 2	-	1,143	-	1,143
Graduate & Scholarships	-	2,897	-	2,897
	<u>173,376</u>	<u>(136,506)</u>	<u>-</u>	<u>36,870</u>
TOTAL FUNDS	<u>417,806</u>	<u>93,019</u>	<u>-</u>	<u>510,825</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	361,762	(132,237)	229,525
Restricted funds			
Collection	1,360	(32,203)	(30,843)
Teaching Support Nottingham	-	(114,439)	(114,439)
Collection Conservation	4,736	-	4,736
Digitisation Stage 2	1,143	-	1,143
Graduate & Scholarships	2,897	-	2,897
	<u>10,136</u>	<u>(146,642)</u>	<u>(136,506)</u>
TOTAL FUNDS	<u>371,898</u>	<u>(278,879)</u>	<u>93,019</u>

Unrestricted Funds

Unrestricted funds are donations and other incoming resources that can be used at the discretion of the Trustees for charitable purposes. Designated funds are unrestricted funds which have been earmarked by the Board for specific purposes.

Designated Funds

Collection costs - The Trustees seek to maintain Collection funds at a sufficient level to cover the costs of maintaining, storage, insurance and curation of the Collection over at least three years and therefore in addition to the Collection restricted fund have a designated fund for Collection costs.

THE EMBROIDERERS' GUILD

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 AUGUST 2025**

12. MOVEMENT IN FUNDS - continued

Operating costs - this money has been designated to cover one years worth of operating costs.

Restricted Funds

Restricted funds are funds received from donors for specific activities. Expenditure which meets the criteria can be charged to the funds.

Collection - funds receive to support the costs of preserving the Guild's collection of embroidery items.

Teaching Support Nottingham - This fund is to support educational activities and those who provide such activities.

Collection Conservation - This fund is royalty income received from The Crewel Work Company who requested that any royalties paid on EG kit sales should be ring-fenced for the direct benefit of the Guild Collection and in particular conservation of historic pieces.

Digitisation Stage 2 - This fund is donations received to assist in scanning and uploading the Collection documents which we have in our archives. The aim is to build a complete history of Collection items and the artists who created them within the context of society and textile art at the time.

Graduates & Scholars - This fund is donations received to support Guild graduates and scholars in progressing their careers in the world of embroidery and textiles.

13. RELATED PARTY DISCLOSURES

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

The total amount of donations received from Trustees in the year totalled £2,270 (2024: £1,498), this included general donations and membership payments.

The Trustees do not reclaim travel or incidentals in relation to their Trustee duties. Currently the Guild relies upon the Trustees undertaking operational and project management roles on an unpaid basis. During the year Trustees were reimbursed only for travel and accommodation (excluding meals or subsistence) relating to transportation of exhibits and retail items to Shows and undertaking the Digitisation Project at Halton, Aylesbury. The total amount reimbursed was £13,464 (2024: 6 Trustees, £13,774).

THE EMBROIDERERS' GUILD

England & Wales - Charity number 234239

Accounts

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2024
for
Embroiderers Guild (The)

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

Embroiderers Guild (The)

Contents of the Financial Statements
for the Year Ended 31 August 2024

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 to 14
Detailed Statement of Financial Activities	15

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Vision

Our commitment is to educate, inspire, and promote the allure of embroidery as a creative art form that both preserves tradition and inspires contemporary innovation.

We achieve this by promoting and celebrating the art of embroidery, fostering an environment where excellence and creativity flourish, whilst educating the public in the history of stitch and textile art. The Guild's commitment to education and community engagement ensures that the legacy of embroidery is passed on and evolves with each new generation of textile artists.

We offer a wide range of activities and resources.

We provide experiences through workshops that educate and inform, exhibitions that captivate, and publications that inspire.

We curate the Guild Collection, one of the finest in the world, a treasure trove of embroidery from the 8th century to the present day, serving as both a museum and classroom.

We support students and graduates through awards and scholarships, run competitions for all, inspire artists and share new work.

Objectives

The principal objectives of the Charity as defined in the Articles of Association are to:

- Encourage new generations to stitch - whether for pleasure, technical excellence, or artistic merit.
- Support all who teach, learn, explore, and extend the boundaries of the art of stitch.
- Publish the history of stitch and support contemporary research.
- Collect, preserve, and exhibit items of historical and contemporary significance.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2024

OBJECTIVES AND ACTIVITIES

Significant activities

Activities for the Public Benefit

Although the Guild has seen, along with other organisations, financial pressures due high energy costs and the rising cost of living the Trustees have continued to work to deliver activities that meet the Guild's objectives. Due to cost pressures the Trustees have remained focused on activities that are less dependent on face-to-face contact, will appeal to members and the wider public, and that will provide some contribution towards gaining further financial stability for the Guild. These include:

1. Virtual educational talks with a range of artists and makers
 - a. Advertised on our website, in our monthly newsletters, through social media, Stitch and Embroidery magazine and our ticket provider, Eventbrite.
 - b. Online booking through Eventbrite to minimise administration costs.
2. Virtual Sit and stitch sessions for those unable to attend in person stitch groups.
 - a. These enabled those who are geographically remote, with caring responsibilities or socially isolated due to health or disabilities to attend sessions delivered via Zoom.
 - b. Evening sessions were added to provide some further flexibility for those who work or have young children or other caring responsibilities.
3. Providing introductory courses and workshops for beginners and students working with a former Guild Scholar and a recent embroidery degree graduate.
4. Continuing to provide a series of online creative workshops and demonstrations available live and on demand, at a nominal rate for members and available to non-members for a relatively low fee.
5. Supporting embroidery/textile graduates and scholars to showcase their work by exhibiting at the Knitting & Stitching Shows in London and Harrogate. Stands are provided free of charge and a small grant to cover expenses is provided along with advice on stand presentation and the retail of small items. This year the grant provided was slightly larger due to a textile artist generously donating a proportion of their workshop commissions.
6. Having a stand at Fashion and Embroidery Show, NEC Birmingham in March on which we exhibited Members' Project pieces and undertook 'make and take' sessions which members of the public attending the show could join.
7. Setting and judging a Members' Challenge for the year, the theme for 2023-24 was 'Opposites Attract'. Members' Challenge pieces are exhibited each Autumn at the Knitting & Stitching Shows. There were two overall winners for 2023-24 both of whom received a small prize. There were also winners who excelled in five categories which highlighted different aspects of embroidery and commemorated well-known embroiderers, who in the past, have contributed greatly to embroidery teaching. There was an online event in June announcing the winners and celebrating the entries in addition to providing an insight into the different award categories. An e-book of the winners was produced and is available on the Guild website for all to see. Stitch and Embroidery magazines also featured the winners covering how they utilised the theme for inspiration and design.
8. The annual Members' Project is purely for participation and enjoyment. The theme set for 2023-24 was 'Repair, Restore, Recreate', the previous year was 'Fit for a King'. Members' pieces were wide ranging in interpretation of the theme. Members' Project pieces are exhibited each year in the Autumn at the Knitting and Stitching Shows.
9. Continued publishing Embroidery Magazine, exploring old and new techniques and promoting textile artists from around the world. Providing digital access to Embroidery Magazine in a variety of forms, including a full archive of all back issues over the past 92 years, to enable readers across the globe to access the publication easily, cost effectively and in a more climate friendly manner. However, many want to enjoy reading a print copy of the magazine to immerse themselves in great art whilst relaxing. To further boost circulation and share the joy of textile art further afield in early September 2023 we launched, with support from Warners, a retail distribution channel providing print copies to major newsagents, bookstores and retailers across the UK, Europe, USA, Canada, Australia and South Africa.
10. Continued maintenance of the Guild Collection at Discover Bucks Museum, whilst adding further donations, enhancing the representation of contemporary artists from the 20th and 21st centuries.
11. In October 2023 we started to digitise our collection of embroidered items to enable embroidery and textile lovers to see what we have in our collection through the Art UK website alongside other textile and art collections.
12. Throughout 2024 exhibited a selection of items from the Guild Collection in the Beryl Dean Gallery at Discover Bucks Museum. The exhibition, Blooming Threads, delved into the Guild Collection to reveal fascinating and inspiring examples of stitched flowers - both modern and historical - from around the world.

Embroiderers Guild (The)

Report of the Trustees **for the Year Ended 31 August 2024**

OBJECTIVES AND ACTIVITIES

13. Recycled books, fabric, threads, and other haberdashery items from donated items into inspiration packs for sale at shows. We produced display boards for Shows with examples demonstrating how to use inspiration packs.

14. In the Autumn of 2023, we staged a 30-year Retrospective exhibition at the Knitting and Stitching Shows with a companion book. The Guild has been supporting graduates and scholars to exhibit at the shows for 30 years. The Retrospective exhibition traced 50 of those artists highlighting their journey from their original work to present day, demonstrating the varied career paths available for embroidery and textile graduates.

15. We completed the re-launch of the Inspired to Create suite of Distance Learning Courses. These courses focus on design, discovery and play and provide a structured pathway for students of all ages to develop their own unique and individual style. The courses are supported by a tutor who is available to answer individual student queries. There are also online community sessions available with an experienced presenter for students to share their experiences. During 2024 we launched a courses blog with useful articles and ideas to support current students and encourage others to get started on their creative journey.

16. In early August in partnership with Wonderfil, we launched a set of speciality thread packs. We demonstrated the use of these on the Wonderfil stand at the Festival of Quilts.

Assessing Achievements

- All our activities have been inclusive across communities involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Adopting the lowest cost, digital administration processes, and communications including the use of social media to greater effect to improve our engagement with the wider community.
- Increased use of digital platforms has enabled the Guild to reach more people and create cost effective events for a worldwide audience.
- Holding exhibitions of embroidery and textile art into high footfall venues, raising the exposure of the Guild and the artistry of stitch by a factor of several thousands. This was achieved at the Knitting and Stitching shows at Alexandra Palace and Harrogate in 2023 and Fashion and Embroidery Show and Festival of Quilts at the NEC Birmingham in 2024.
- Digitising the Collection is a huge project. At the end of 2023-24 we had photographed 2,500 items, 38% of the Collection. It has enabled us to gain more knowledge about our collection and streamline storage to make more space.
- The Retrospective Exhibition and Showcase book have given teachers, students and their families a better understanding about the breadth of career that can be achieved when undertaking higher education courses in textiles.
- The make and takes at the Fashion and Embroidery Show provided an additional avenue for the exposure to the public and offered attendees the opportunity for a hands-on experience.

Public benefit

Most activities we have undertaken (listed above) have been for the benefit of everyone who wants to engage with them, through exhibition or virtual talks and workshops. Therefore, this fulfils the public benefit requirement and contributes to the objects and related aims of the charity.

Members, volunteers, and Trustees are mindful of the benefit to the public that embroidery brings and therefore conscious of it when planning events. Guild activities except projects and challenges are open to non-members as well as members. We have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

Additional Information

During the 2023-24 financial year and subsequently the Guild has continued as a volunteer run organisation. This has been achieved with significant effort from Trustees and volunteers.

During the financial year volunteering activity included

- Assisting with the EG Collection, folios, and library, including contributions by Trustees.
- Publishing two monthly newsletters each month, Guild Bulletin and What's On.
- Continued to add content to our website, increasing the on-line resources available to members.
- Organised Guild Insurance for the Collection and affiliated stitch groups up until 30th April 2023. We covered the expense of insurance for stand-alone Young Embroiderers groups for the whole of 2023-24.
- Delivering the 30-year Retrospective exhibition in Autumn 2023 and producing a companion Retrospective Showcase book to promote the textile artists in the exhibition and provide an insight for those unable to attend the exhibition in person.
- Running national projects including Members' Opposites Attract' and Members' Project 'Repair, Restore, Recreate'.
- Organising a programme of events and activities for members and non-members.
- Governance and administration of the Guild and Embroiderers' Guild Enterprises Ltd, our publishing trading company.

Embroiderers Guild (The)

Report of the Trustees **for the Year Ended 31 August 2024**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Main Achievements in relation to direct beneficiaries

- The annual 'Members' Challenge which encourages excellence in design, skills, and interpretation.
- Provided details of Affiliated Stitch Groups on the Guild website, arranged geographically so that those who are interested can easily find a group in their area.
- Published eBooks for members and the public to enable them to view contributions to member projects and challenges.
- Answered questions and provided advice to the public on a wide range of embroidery related queries.
- Reimbursed the entry to Discover Bucks Museum for any member who visited to view the Embroiderers' Guild exhibition Blooming Threads.
- Offered the option to purchase gift memberships, and the option to spread the annual membership fee over 12 months

Main Achievements in relation to society as a whole

- Planned and provided access for non-members to virtual talks and online creative workshops
- The talks and workshops covered a wide range of topics some of more general interest. Promoted on social media platforms to ensure the widest reach to interested audiences.
- Planned free sit and stitch sessions accessible to all members of the public.
- Planning of exhibitions for Knitting and Stitching Shows in Autumn 2024.
- Completed the relaunched 'Inspired to Create' distance learning courses on a readily accessible easy to use platform along with a general advisory and inspirational blog.
- Commenced a Collection Digitisation project. The project is photographing in detail items from the Guild Collection and hosting the images on a publicly available website enabling research and general learning by a range of individuals and groups.

Fundraising activities

- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships or magazine subscriptions.

Internal and external factors

During 2023-24 member numbers remained stable but did not increase significantly, however costs did not exceed income. The Trustees have contained costs by the continued use of voluntary support, mostly via the Trustees themselves. During 2023 the Trustees have looked to further develop activities and events to retain and attract new members and provide alternative income sources. This has enabled a limited level of contract expertise to be introduced to reduce volunteer fatigue and start to rebuild a more robust organisation with sound processes for the medium to long-term.

Risks facing the Charity

The Guild maintains and regularly reviews a register of high-risk topics and factors that have the potential to undermine the viability of the charity and/or the wholly owned trading subsidiary, EG Enterprises Ltd. The Board of Trustees meet two to three times a month and this enables the Trustees to actively manage risks effectively. Risks are as follows:

- Declining membership income due, in part, to the current age profile of the membership.
- Inflation impacting on the amount of disposable income people have available to spend on memberships and recreational activities.
- Availability of suitably skilled volunteer resources to undertake activities to manage the Guild, especially in developing new activities and projects.
- Unwillingness of some members to donate given past issues. This is a significant risk given the Guild relies on membership fees and donations to fund its activities, especially in developing new activities and projects. Viability of the charity remains a risk because of uncertainty over membership renewals for 2024-25 and availability of suitably skilled resources to manage activities.

Risks facing the wholly owned subsidiary, EG Enterprises Ltd

- Embroidery magazine ceases to make a trading profit and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. A detailed review of all costs has been undertaken to ensure effective cost management. Increased social media presence, an increased range of subscription options and the launch into the newstrade across the world has helped retain and attract new subscribers during the year.
- Continued increases in costs across the board. Postal and courier costs in particular have impacted the overall profitability.

Embroiderers Guild (The)

Report of the Trustees **for the Year Ended 31 August 2024**

FINANCIAL REVIEW

Financial position

The main sources of income of the Guild are members' subscriptions, donations, legacies, and profit on the sale of magazines from the trading company EG Enterprises Limited, (EGE). During 2023-24 the Trustees sought new income sources and the Retrospective Showcase book and additional online workshops and demonstrations have been well received and proven a good source of revenue. This has built on the changing social landscape, industrial unrest and increased climate change awareness. People are getting used to using virtual platforms to communicate with others. The Embroiderers' Guild recorded a surplus of £67,896 (2023: surplus of £57,161). The Guild surplus was due to the receipt of two legacies received during in the year. The Guild continues to be extremely grateful to its benefactors. The Trustees are committed to monitoring and exercising tight control over all costs. During 2023-24 they have invested working capital, restricted funds and legacies received in savings deposits to generate income. The intention is that this along with careful financial control will achieve a target of breaking even in future financial years. .

Reserves policy

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities. In previous years the Trustees have been unable to utilise the restricted fund "Teaching Support Nottingham" due to the limited purposes applied to the funds. During 2021-22, the Trustees obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator to further education on embroidery. The balance of this fund is currently £86,793. The other restricted fund is for the upkeep of the Collection and has a balance of £10,405. The Trustees seek to maintain Collection funds at a sufficient level to cover the costs of maintaining, storage, insurance and curation of the Collection over at least three years and therefore in addition to the Collection restricted fund have a designated fund for Collection costs. The balance of unrestricted funds on 31st August 2024 was £388,504. The reserves amounted to £485,702. Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild has set up a saving deposit platform with CAF/Flagstone to ensure all Guild funds are protected by the FSCS (Financial Services Compensation Scheme) and to take advantage of the increase in interest rates. Restricted funds are held on this platform to generate interest income.

Going concern

The Guild remains conservative in its projections for 2024-25, due to inflation, rising costs and the removal of the winter fuel allowance. For some the annual membership will prove a luxury they will no longer be able to afford. Due to significant effort on behalf of the Trustees the Guild's operating costs have not significantly exceeded income for 2023-24. Events, the Inspired to Create courses and the interest received from savings deposits are starting to provide a consistent income. Providing the Trustees continue to control costs and efficiently implement effective new income generation ideas for which there is sufficient support from members and volunteers the Guild may be able to break even in 2024-25.

FUTURE PLANS

Current factors influencing the future of the Charity are:

- The public perception of embroidery and the Guild itself, although this is improving through the activities planned and helped by the current Trustees and volunteers.
- An ageing membership.
- Independent stitch group members don't see a benefit in remaining affiliated with the Embroiderers' Guild
- Unfilled vacancies within the governance and volunteering structure coupled with volunteer fatigue.
- Streamlining administration costs. During 2023-24 costs continued to be reviewed and tightly controlled to ensure that costs did not exceed income and that any legacies received could be ringfenced for projects that would further stabilise the Guild from a financial and public perception perspective.
- Seeking new ways of working that reduce cost while creating opportunities for income generation.
- The need to respond to an increasing expectation of access to digital services and online content.
- Finding a way of engaging, supporting and encouraging young people who have not experienced creative education or family encouragement to enable them to build career aspirations and skills for the future.

Plans for Future Periods

The future direction of the charity is to

- Attract a new membership drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and those, who wish to pursue a previous or new interest in stitch and textile art for pleasure and general well-being.
- Extend its distance learning offering and capacity to become a significant income stream.
- Further extend its on-line capabilities as part of a digital strategy that will enable the widest access to its resources and become a portal-of-choice for the wider stitch community.
- Continue to extend its reach into the public domain with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate, and motivate that audience to support and/or participate.
- Continue with Graduate and Scholar Showcase at future Knitting and Stitching and other shows to highlight young talent in the world of embroidery.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Articles of Association approved by members at an Extraordinary General Meeting (EGM) held on 20th June 2015. It is recognised the Articles need reviewing however the Trustees have had higher priorities, so it is still to be done. The Embroiderers Guild is a charitable company limited by guarantee.

Recruitment and appointment of new trustees

Trustees may be nominated by members of the Guild and are appointed by the Trustees. During the significant changes during the past three years the Trustees have worked together as a team, pooling their skills and experience to complete the activities and tasks required to resolve the Guild's financial difficulties. The recovery work is still ongoing and part of this will include the Trustees reviewing how the Guild should be structured and administered. This will include a review of the appropriateness of the Trustee Seats for the future. The Chair of the Board of Trustees is elected by the members of the board from their number. The period of "office" as Chair of the Board is normally between 2 and 4 years. During the past year Dr Penny Hill has deputised as Chair of the Board. The review of the structure and administration will include redefining the role of Chair of the Board of Trustees and seeking an appropriate person to fulfil that role.

Board of Trustees

Due to current circumstances the Board of Trustees meets two to three times each month, as it governs and operates the Charity. The Board's focus is on the Objectives and Activities. The Trustees regularly declare any conflicts of interest as part of the Board meeting process to recognise, manage and eliminate the possibilities of risks related to the activities of Trustees and related parties (company directors or family members). The authority of the Trustees is set out clearly in the Articles of Association approved by members at the EGM on 20th June 2015. The Board of Trustees are responsible for operational decisions and contracting with others. Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either by a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM. Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board. All Trustees are required to sign and observe a 'Code of Conduct'. Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

Organisational structure

During the year ended 31st August 2024 the Guild comprised of the Board of Trustees and volunteers in particular volunteers working at Discover Bucks Museum. During the year ended 31 August 2024 the Trustees contracted with sole traders, private limited companies, and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking, and, from time-to-time, legal advice. Contractors and volunteers worked remotely from home with reliable communication links between each other and the Trustees.

Membership

At the end of August 2024, the Guild had 1,575 adult members. These comprise Life Members and individual Members. Young embroiderers are no longer required to be members of an affiliated independent stitch group. Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2023-24.

The Trading Company - EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly owned subsidiary, EG Enterprises Ltd, continues to publish Embroidery magazine. The directors of EG Enterprises Ltd are drawn from the Trustees, and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not directly employ staff, nor does it have separate premises. However, it is assigned a share of Guild resources sufficient only to publish and distribute the magazine. EG Enterprises Ltd may develop new and alternative income streams, but it has no working capital. Taxable profits are gifted to the Guild.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00294310 (England and Wales)

Registered Charity number

234239

Embroiderers Guild (The)

Report of the Trustees
for the Year Ended 31 August 2024

Registered office

Bucks County Museum
Church Street
Aylesbury
HP20 2QP

Trustees

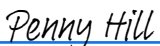
Ms A Godfrey (Artistic Director)
Ms A Haigh
Dr P Hill (Special interest - Social Media)
Ms A Messenger (Artistic Director for Young & Students)
Ms H Miller
Ms A Smith (Special interest - Education)
Ms J Stenning (resigned 20.7.24)
Ms L Rigden (appointed 20.2.24)

Company Secretary

Independent Examiner

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

Approved by order of the board of trustees on 12 December 2024 and signed on its behalf by:


Penny Hill (Dec 13, 2024 11:15 GMT)

Dr P Hill - Trustee

**Independent Examiner's Report to the Trustees of
Embroiderers Guild (The)**

Independent examiner's report to the trustees of Embroiderers Guild (The) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Paul Colcomb
Paul Colcomb (Dec 13, 2024 11:26 GMT)

Paul Colcomb FCCA

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

12 December 2024

Embroiderers Guild (The)

Statement of Financial Activities
for the Year Ended 31 August 2024

		Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		95,067	1,360	96,427	60,315
Charitable activities					
Member activities		976	-	976	914
Education		15,705	-	15,705	16,665
Exhibitions and shows		12,048	-	12,048	10,234
Membership		40,832	-	40,832	39,017
Investment income	2	39,379	-	39,379	13,092
Total		204,007	1,360	205,367	140,237
EXPENDITURE ON					
Charitable activities					
Collection and curatorial		-	21,798	21,798	20,135
Member activities		7,242	-	7,242	2,443
Grant making		-	-	-	3,720
Education		17,003	55,740	72,743	26,531
Exhibitions and shows		8,486	-	8,486	6,914
Young Embroiderers		315	-	315	304
Membership		26,886	-	26,886	23,029
Total		59,932	77,538	137,470	83,076
NET INCOME/(EXPENDITURE)		144,075	(76,178)	67,897	57,161
RECONCILIATION OF FUNDS					
Total funds brought forward		244,430	173,376	417,806	360,645
TOTAL FUNDS CARRIED FORWARD		388,505	97,198	485,703	417,806

The notes form part of these financial statements

Embroiderers Guild (The)

Balance Sheet
31 August 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Heritage assets	6	10,000	-	10,000	10,000
Investments	7	100	-	100	100
		10,100	-	10,100	10,100
CURRENT ASSETS					
Debtors	8	3,192	-	3,192	3,059
Cash at bank		396,870	106,066	502,936	451,725
		400,062	106,066	506,128	454,784
CREDITORS					
Amounts falling due within one year	9	(21,657)	(8,868)	(30,525)	(47,078)
NET CURRENT ASSETS		378,405	97,198	475,603	407,706
TOTAL ASSETS LESS CURRENT LIABILITIES		388,505	97,198	485,703	417,806
NET ASSETS		388,505	97,198	485,703	417,806
FUNDS	10				
Unrestricted funds				388,505	244,430
Restricted funds				97,198	173,376
TOTAL FUNDS				485,703	417,806

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 12 December 2024 and were signed on its behalf by:


Penny Hill (Dec 13, 2024 11:15 GMT)

P Hill - Trustee

The notes form part of these financial statements

Embroiderers Guild (The)

Notes to the Financial Statements for the Year Ended 31 August 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2024	2023
	£	£
Dividends received	24,442	12,595
Deposit account interest	14,937	497
	<u>39,379</u>	<u>13,092</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Independent examiner fee	<u>2,130</u>	<u>1,980</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

5. INTANGIBLE FIXED ASSETS

**Computer
software
£**

COST

At 1 September 2023 and 31 August 2024

36,640

AMORTISATION

At 1 September 2023 and 31 August 2024

36,640

NET BOOK VALUE

At 31 August 2024

-

At 31 August 2023

-

6. HERITAGE ASSETS

**Total
£**

MARKET VALUE

At 1 September 2023 and 31 August 2024

10,000

NET BOOK VALUE

At 31 August 2024

10,000

At 31 August 2023

10,000

The heritage asset held is the collection.

7. FIXED ASSET INVESTMENTS

**Shares in
group
undertakings
£**

MARKET VALUE

At 1 September 2023 and 31 August 2024

100

NET BOOK VALUE

At 31 August 2024

100

At 31 August 2023

100

There were no investment assets outside the UK.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	115	-
Other debtors	419	229
Prepayments and accrued income	2,658	2,830
	<u>3,192</u>	<u>3,059</u>

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	11,258	1,618
Amounts owed to group undertakings	6,483	43,239
Other creditors	285	241
Accruals and deferred income	12,499	1,980
	30,525	47,078

10. MOVEMENT IN FUNDS

	At 1.9.23	Net	At
	£	movement	31.8.24
		in funds	£
		£	
Unrestricted funds			
General fund	244,430	144,075	388,505
Restricted funds			
Collection	30,843	(20,438)	10,405
Teaching Support Nottingham	142,533	(55,740)	86,793
	173,376	(76,178)	97,198
TOTAL FUNDS	417,806	67,897	485,703

Net movement in funds, included in the above are as follows:

	Incoming	Resources	Movement
	resources	expended	in funds
	£	£	£
Unrestricted funds			
General fund	204,007	(59,932)	144,075
Restricted funds			
Collection	1,361	(21,799)	(20,438)
Teaching Support Nottingham	(1)	(55,739)	(55,740)
	1,360	(77,538)	(76,178)
TOTAL FUNDS	205,367	(137,470)	67,897

Comparatives for movement in funds

	At 1.9.22	Net	Transfers	At
	£	movement	between	31.8.23
		in funds	funds	£
		£	£	
Unrestricted funds				
General fund	153,826	90,604	(43,157)	201,273
Collection	-	-	43,157	43,157
	153,826	90,604	-	244,430
Restricted funds				
Collection	48,300	(17,457)	-	30,843
Teaching Support Nottingham	158,519	(15,986)	-	142,533
	206,819	(33,443)	-	173,376
TOTAL FUNDS	360,645	57,161	-	417,806

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	138,767	(48,163)	90,604
Restricted funds			
Collection	1,470	(18,927)	(17,457)
Teaching Support Nottingham	-	(15,986)	(15,986)
	<u>1,470</u>	<u>(34,913)</u>	<u>(33,443)</u>
TOTAL FUNDS	<u>140,237</u>	<u>(83,076)</u>	<u>57,161</u>

The restricted funds include the Collection fund (which represents funds receive to support the costs of preserving the Guild's collection of embroidery items), and the Teaching Support Nottingham Fund.

11. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Embroiderers Guild (The)

Detailed Statement of Financial Activities
for the Year Ended 31 August 2024

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	4,579	5,021
Gift aid	4,917	3,797
Legacies	86,931	51,497
	96,427	60,315
Investment income		
Dividends received	24,442	12,595
Deposit account interest	14,937	497
	39,379	13,092
Charitable activities		
Membership income	40,832	39,017
Collection & curatorial	-	72
Member activities	976	914
Education	15,705	16,593
Exhibitions & shows	12,048	10,234
	69,561	66,830
Total incoming resources	205,367	140,237
EXPENDITURE		
Charitable activities		
Direct costs	88,472	40,820
Support costs		
Management		
Insurance	2,034	3,720
Sundries	238	327
IT support & maintenance	19,396	9,771
Database & website	3,642	8,084
Admin & office costs	21,524	18,061
	46,834	39,963
Governance costs		
Accountancy and legal fees	2,164	2,293
	137,470	83,076
Net income	67,897	57,161

This page does not form part of the statutory financial statements

THE EMBROIDERERS' GUILD

England & Wales - Charity number 234239

Accounts

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2023
for
Embroiderers Guild (The)

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

Embroiderers Guild (The)

Contents of the Financial Statements
for the Year Ended 31 August 2023

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11 to 15
Detailed Statement of Financial Activities	16

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). This document conforms to the Charities SORP (FRS 102) for the Trustees' Report disclosure requirements.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Vision

Our 'Vision' is that the Guild is recognised and valued as a central educational and inspirational resource - a hub for all who are attracted to or experienced in embroidery/stitch, textiles and related arts and crafts. It is seen as being supportive of all levels of ability whether for personal enjoyment through to an increasingly rewarding and enriching experience of personal accomplishment in the furtherance of historical skills, techniques, and artistic excellence.

Objectives

The principal objectives of the Charity as defined in the Articles of Association are to:

- Encourage new generations to stitch - whether for pleasure, technical excellence, or artistic merit.
- Support all who teach, learn, explore, and extend the boundaries of the art of stitch.
- Publish the history of stitch and support contemporary research.
- Collect, preserve, and exhibit items of historical and contemporary significance

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

OBJECTIVES AND ACTIVITIES

Significant activities

The return to normal following the pandemic continued during 2022-23, although the Guild has seen, along with other organisations, a changed landscape and financial pressures due to the energy crisis and the rising cost of living. The Trustees have continued to work to deliver activities that meet the Guild's objectives. During a period of continued uncertainty, the Trustees focused on developing activities that are less dependent on face-to-face contact, will appeal to members and the wider public, and that will provide some contribution towards gaining further financial stability for the Guild. These include:

1. Virtual educational talks with a range of artists and makers
 - a. Advertised on our website, in our monthly newsletters, through social media, Stitch and Embroidery magazine and our ticket provider, Eventbrite.
 - b. Online booking through Eventbrite to minimise administration costs.
2. Virtual Sit and stitch sessions for those unable to attend in person stitch groups.
 - a. These enabled those who are geographically remote, with caring responsibilities or socially isolated due to health or disabilities to attend sessions delivered via Zoom.
 - b. Evening sessions have now been added to provide some further flexibility for those who work or have young children or other caring responsibilities.
3. Providing introductory courses and workshops for beginners and students working with a former Guild Scholar and a recent embroidery degree graduate.
4. Introducing a series of online creative workshops available live and on demand, free for members and available to non-members for a small fee.
5. Supporting embroidery/textile graduates and scholars to showcase their work by exhibiting at the Knitting & Stitching Shows in London and Harrogate. Stands are provided free of charge and a small grant to cover expenses is provided along with advice on stand presentation and the retail of small items.
6. Setting and judging a Members' Challenge for the year, the theme for 2022-23 was 'Layers'. Members' pieces were displayed at Knitting & Stitching Shows. There was one overall winner who received a small prize and winners who excelled in five categories which highlighted different aspects of embroidery and commemorated well-known embroiderers, who in the past, have contributed greatly to embroidery teaching. An e-book of the winners was also produced and is available on the Guild website for all to see. Stitch and Embroidery magazines have also featured the winners covering how they utilised the theme for inspiration and design.
7. The annual Members' Project is purely for participation and enjoyment. The theme set for 2022-23 was 'Fit for a King'. Members' pieces were wide ranging in interpretation of the theme 'what gift would you give to a king real or imaginary'. Pieces were exhibited at the Knitting and Stitching Shows.
8. Continued publishing Embroidery Magazine, exploring old and new techniques and promoting textile artists from around the world. Providing digital access to Embroidery Magazine in a variety of forms, including a full archive of all back issues over the past 90 years, to enable readers across the globe to access the publication easily, cost effectively and in a more climate friendly manner. By continuing to provide and promote digital subscriptions we have overcome issues with increased costs of printing and sending printed magazines overseas. Post Brexit extra duty and VAT applied to magazines in some markets remains an issue for small publishers such as the Guild.
9. Continued maintenance of the Guild Collection at Discover Bucks Museum, whilst adding further donations, enhancing the representation of contemporary artists from the 20th and 21st centuries.
10. During the whole of 2023 exhibited items from the Guild Collection in the Beryl Dean Gallery at Discover Bucks Museum. The exhibition, Blooming Threads, delved into the Guild Collection to reveal fascinating and inspiring examples of stitched flowers - both modern and historical - from around the world.
11. Recycled books, fabric, threads, and other haberdashery items from donated items into inspiration packs for sale at shows. Produced display boards for Shows with examples demonstrating how to use inspiration packs.
12. Prepared for the staging of a 30-year Retrospective exhibition at the Knitting and Stitching Shows with a companion book in the Autumn of 2023. The Guild has been supporting graduates and scholars to exhibit at the shows for 30 years. The Retrospective exhibition traced 50 of those artists highlighting their journey from their original work to present day, demonstrating the varied career paths available for embroidery and textile graduates.
13. Ongoing development of the public facing website and secure members' area that was launched in September 2022
14. Re-launched the Inspired to Create suite of Distance Learning Courses. These courses focus on design, discovery and play and provide a structured pathway for students of all ages to develop their own unique and individual style. The courses are supported by a tutor who is available to answer individual student queries. There are also online community sessions available with an experienced presenter for students to share their experiences.

Assessing Achievements

- All our activities have been inclusive across communities involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Adopting the lowest cost, digital administration processes, and communications including the use of social media to greater effect to improve our engagement with the wider community.
- Increased use of digital platforms has enabled the Guild to reach more people and create cost effective events for a worldwide audience.
- Holding exhibitions of embroidery and textile art into high footfall venues, raising the exposure of the Guild and the artistry of stitch by a factor of several thousands. This was achieved at the Knitting and Stitching shows at Alexandra Palace and Harrogate in 2022 and 2023.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

OBJECTIVES AND ACTIVITIES

Public benefit

Most activities we have undertaken (listed above) have been for the benefit of everyone who wants to engage with them, through exhibition or virtual talks and workshops. Therefore, this fulfils the public benefit requirement and contributes to the objects and related aims of the charity.

Members, volunteers, and Trustees are mindful of the benefit to the public that embroidery brings and therefore conscious of it when planning events. Guild activities except projects and challenges are open to non-members as well as members. We have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

Additional Information

During the 2022/23 financial year and subsequently the Guild has continued as a volunteer run organisation. This has been achieved with significant effort from Trustees and volunteers.

During the financial year volunteering activity included

- Assisting with the EG Collection, folios, and library, including contributions by Trustees.
- Producing two monthly newsletters each month, Guild Bulletin and What's On.
- Organised Guild Insurance for the Collection and affiliated stitch groups up until 30th April 2023. We also covered the expense of insurance for Young Embroiderers groups for the whole of 2022/23.
- Exhibiting items across the decades from the Guild Collection at the Knitting and Stitching Shows in Autumn 2022.
- Preparing for the 30-year Retrospective exhibition in Autumn 2023 and producing a companion Retrospective Showcase book to promote the textile artists in the exhibition and provide an insight for those unable to attend the exhibition in person.
- Running national projects including Members' Challenge 'Layers' and Members' Project 'Fit for a King'.
- Organising a programme of events and activities for members and non-members.
- Governance and administration of the Guild and Embroiderers' Guild Enterprises Ltd, our publishing trading company.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Main Achievements in relation to direct beneficiaries

- The annual 'Members' Challenge which encourages excellence in design, skills, and interpretation.
- Provided details of Affiliated Stitch Groups on the Guild website, arranged geographically so that those who are interested can easily find a group in their area.
- Published eBooks for members to enable them to view contributions to member projects and challenges.
- Answered questions and provided advice to the public on a wide range of embroidery related queries.
- Reimbursed the entry to Discover Bucks Museum for any member who visited to view the Embroiderers' Guild exhibition Sew New (2022) or Blooming Threads (2023).

Main Achievements in relation to society as a whole

- Planned and provided access for non-members to virtual talks and online creative workshops
- Focused initial talks on areas of more general interest e.g., historic garments that had been featured on TV. Promoted on social media platforms to ensure the widest reach to interested audiences.
- Planned free sit and stitch sessions accessible to all members of the public.
- Planning of exhibitions for Knitting and Stitching Shows in Autumn 2023.
- Launched the exhibition 'Blooming Threads' at Discover Bucks Museum.
- Relaunched 'Inspired to Create' distance learning courses on a readily accessible easy to use platform
- Planned for a pilot to a Collection Digitisation project (commenced in Autumn 2023). The project will photograph in detail items from the Guild Collection and host the images on a publicly available website enabling research and general learning by a range of individuals and groups.

Fundraising activities

- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships or magazine subscriptions, and donations for some events.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

ACHIEVEMENT AND PERFORMANCE

Investment performance

ACHIEVEMENT AND PERFORMANCE 2022/2023

What happened 2021-2023

The Guild Trustees realised that with a further reduction in membership renewals in September-November 2021, following the restructure earlier in the year, the primary source of income of the Guild was insufficient to cover the outgoing cost commitments. During the first half of 2022 the Guild simplified its working structure to reduce overheads and relied upon the use of voluntary support, mainly from the Trustees. During 2022-23 member numbers remained stable but did not increase significantly, however costs no longer exceeded income. The Trustees have contained costs by the continued use of voluntary support, mostly via the Trustees themselves. During 2023 the Trustees have looked to further develop activities and events to retain and attract new members and provide alternative income sources. This has enabled a limited level of contract expertise to be introduced to reduce volunteer fatigue and start to rebuild a more robust organisation with sound processes for the medium to long-term.

Internal and external factors

Risks facing the Charity

The Guild maintains and regularly reviews a register of high-risk topics and factors that have the potential to undermine the viability of the charity and/or the wholly owned trading subsidiary, EG Enterprises Ltd. The Board of Trustees meet two to three times a month and this enables the Trustees to actively manage risks effectively. Risks are as follows:

- Declining membership income due, in part, to the age profile of the membership (average 70 years) and the actions the Trustees took in closing the branches and regions in 2021.
- The energy crisis and inflation impacting on the amount of disposable income people have available to spend on memberships and recreational activities.
- Availability of suitably skilled volunteer resources to undertake activities to manage the Guild, especially in developing new activities and projects.
- Unwillingness of some members to donate given the restructure in 2021, and the change to the relationship with regions. This is a significant risk given the Guild relies on membership fees and donations to fund its activities, especially in developing new activities and projects. Viability of the charity remains a risk because of uncertainty over membership renewals for 23/24 and availability of suitably skilled resources to manage activities.

Risks facing the wholly owned subsidiary, EG Enterprises Ltd

- Embroidery magazine ceases to make a trading profit and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. A detailed review of all costs has been undertaken to ensure effective cost management. Increased social media presence, a new editor and an increased range of subscription options has helped retain and attract new subscribers during the year.
- Increasing costs due to the energy crisis, increased demand for cardboard has moved production away from paper, making it more expensive, long-term industrial disputes at major suppliers and continued increases in postal and courier costs have impacted the overall profitability.

FINANCIAL REVIEW

Financial position

The main sources of income of the Guild are members' subscriptions, donations, legacies, and profit on the sale of magazines from the trading company EG Enterprises Limited, (EGE). During 22/23 the Trustees sought new income sources and specifically online workshops which have been well received and proven a good source of revenue. This has built on the changing social landscape because of the pandemic, ongoing train strikes and increased climate change awareness. People are getting used to using virtual platforms to communicate with others. The Embroiderers' Guild recorded a surplus of £57,161 (2022: deficit of £104,846). The Guild surplus was due to the receipt of two legacies received during the year. The Guild continues to be extremely grateful to its benefactors. The Trustees are committed to monitoring and exercising tight control over all costs. During 22/23 they have achieved a significant reduction in support costs, to achieve a target of breaking even in future financial years.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

FINANCIAL REVIEW

Reserves policy

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities. In previous years the Trustees have been unable to utilise the restricted fund "Teaching Support Nottingham" due to the limited purposes applied to the funds. During 21/22, the Trustees obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator to further education on embroidery. The balance of this fund is currently £142,533. The other restricted fund is for the upkeep of the Collection and has a balance of £30,843. The Trustees seek to maintain Collection funds at a sufficient level to cover the costs of maintaining, storage, insurance and curation of the Collection over at least three years and therefore in addition to the Collection restricted fund have a designated fund for Collection costs. The balance of unrestricted funds on 31st August 2023 was £242,720. The total reserves amounted to £417,806. Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild has set up a saving deposit platform with CAF/Flagstone to ensure all Guild funds are protected by the FSCS (Financial Services Compensation Scheme) and to take advantage of the increase in interest rates. Restricted funds are held on this platform to generate interest income.

Going concern

The Guild remains conservative in its projections for 23/24, due to inflation and rising costs. For some the annual membership will prove a luxury they will no longer be able to afford. Due to significant effort on behalf of the Trustees the Guild's operating costs have not significantly exceeded income for 22/23. Events and the relaunched courses "Inspired to Create" are starting to provide a consistent income that has offset some of the reduction in income from membership fees. Providing the Trustees continue to control costs and efficiently implement effective new income generation ideas for which there is sufficient support from members and volunteers the Guild may be able to break even in 23/24.

FUTURE PLANS

Current factors influencing the future of the Charity are:

- The public perception of embroidery and the Guild itself, although this is improving through the activities planned and helped by the current Trustees and volunteers.
- An ageing membership.
- Independent stitch group members don't see a benefit in remaining with or joining the Embroiderers' Guild
- Unfilled vacancies within the governance and volunteering structure coupled with volunteer fatigue.
- Streamlining administration costs. During 20/21 the high cost was an issue, however during 21/22 significant progress was made to reduce these costs. This was done through detailed analysis of every single cost and prompt action to reduce or remove costs. During 22/23 this review and cost control has continued.
- Seeking new ways of working that reduce cost while creating opportunities for income generation.
- The need to respond to an increasing expectation of access to digital services and online content.
- Finding a way of engaging, supporting and encouraging young people who have not experienced creative education or family encouragement to enable them to build career aspirations and skills for the future.

The future direction of the charity is to

- Attract a new membership drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and those, who wish to pursue a previous or new interest in stitch and textile art for pleasure and general well-being.
- Extend its distance learning offering and capacity to become a significant income stream.
- Further extend its on-line capabilities as part of a digital strategy that will enable the widest access to its resources and become a portal-of-choice for the wider stitch community.
- Continue to extend its reach into the public domain with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate, and motivate that audience to support and/or participate.
- Graduate and Scholar Showcase at future Knitting and Stitching Shows to highlight young talent in the world of embroidery.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Articles of Association approved by members at an Extraordinary General Meeting (EGM) held on 20th June 2015. It is recognised the Articles need reviewing however the Trustees have had higher priorities, so it is still to be done. The Embroiderers Guild is a charitable company limited by guarantee.

Embroiderers Guild (The)
Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees may be nominated by members of the Guild and are appointed by the Trustees. During the significant changes during the past 18 months the Trustees have worked together as a team, pooling their skills and experience to complete the activities and tasks required to resolve the Guild's financial difficulties. The recovery work is still ongoing and part of this will include the Trustees reviewing how the Guild should be structured and administered. This will include a review of the appropriateness of the Trustee Seats for the future. The Chair of the Board of Trustees is elected by the members of the board from their number. The period of "office" as Chair of the Board is normally between 2 and 4 years. During the past year Dr Penny Hill has deputised as Chair of the Board. The review of the structure and administration will include redefining the role of Chair of the Board of Trustees and seeking an appropriate person to fulfil that role.

Board of Trustees

Due to current circumstances the Board of Trustees meets two to three times each month, as it governs and operates the Charity. The Board's focus is on the Objectives and Activities. The Trustees regularly declare any conflicts of interest as part of the Board meeting process to recognise, manage and eliminate the possibilities of risks related to the activities of Trustees and related parties (company directors or family members). The authority of the Trustees is set out clearly in the Articles of Association approved by members at the EGM on 20th June 2015. The Board of Trustees are responsible for operational decisions and contracting with others. Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either by a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM. Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board. All Trustees are required to sign and observe a 'Code of Conduct'. Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

Organisational structure

During the year ended 31st August 2023 the Guild comprised of the Board of Trustees and volunteers in particular volunteers working at Discover Bucks Museum and a volunteer managing insurance cover. During the year ended 31 August 2023 the Trustees contracted with sole traders, private limited companies, and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking, and, from time-to-time, legal advice. Contractors and volunteers worked remotely from home with reliable communication links between each other and the Trustees.

Membership

At the end of August 2023, the Guild had 1,426 adult members. These comprise Life Members and individual Members. Young embroiderers are no longer required to be members of an affiliated independent stitch group. Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2022/23.

The Trading Company - EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly owned subsidiary, EG Enterprises Ltd, continues to publish Embroidery magazine. The directors of EG Enterprises Ltd are drawn from the Trustees, and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not directly employ staff, nor does it have separate premises. However, it is assigned a share of Guild resources sufficient only to publish and distribute the magazine. EG Enterprises Ltd may develop new and alternative income streams, but it has no working capital. Taxable profits are gifted to the Guild.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00294310 (England and Wales)

Registered Charity number

234239

Registered office

Bucks County Museum
Church Street
Aylesbury
HP20 2QP

Embroiderers Guild (The)

Report of the Trustees
for the Year Ended 31 August 2023

Trustees

Ms A Godfrey (Artistic Director)
Ms A Haigh
Dr P Hill (Special interest - Social Media)
Ms A Messenger (Artistic Director for Young & Students)
Ms H Miller
Ms A Smith (Special interest - Education)
Ms J Stenning

Company Secretary

Independent Examiner

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

Approved by order of the board of trustees on and signed on its behalf by:

.....
Trustee

**Independent Examiner's Report to the Trustees of
Embroiderers Guild (The)**

Independent examiner's report to the trustees of Embroiderers Guild (The) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Paul Colcomb FCCA

Wright Vigar Limited
Chartered Accountants & Business Advisers
Morton House
12 Appletongate
Newark
Nottinghamshire
NG24 1JY

Date:

Embroiderers Guild (The)

Statement of Financial Activities
for the Year Ended 31 August 2023

		Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		58,845	1,470	60,315	21,634
Charitable activities					
Collection and curatorial		-	-	-	360
Member activities		914	-	914	950
Education		16,665	-	16,665	12,453
Exhibitions and shows		10,234	-	10,234	7,738
Membership		39,017	-	39,017	38,231
Other trading activities	2	-	-	-	1,963
Investment income	3	13,092	-	13,092	-
Total		138,767	1,470	140,237	83,329
EXPENDITURE ON					
Charitable activities					
Collection and curatorial		1,208	18,927	20,135	19,375
Member activities		2,443	-	2,443	3,422
Grant making		3,720	-	3,720	6,645
Education		10,545	15,986	26,531	11,268
Exhibitions and shows		6,914	-	6,914	28,052
Young Embroiderers		304	-	304	6,537
Membership		23,029	-	23,029	112,876
Total		48,163	34,913	83,076	188,175
NET INCOME/(EXPENDITURE)		90,604	(33,443)	57,161	(104,846)
RECONCILIATION OF FUNDS					
Total funds brought forward		153,826	206,819	360,645	465,491
TOTAL FUNDS CARRIED FORWARD		244,430	173,376	417,806	360,645

The notes form part of these financial statements

Embroiderers Guild (The)

Balance Sheet
31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Heritage assets	8	10,000	-	10,000	10,000
Investments	9	100	-	100	100
		10,100	-	10,100	10,100
CURRENT ASSETS					
Debtors	10	3,059	-	3,059	7,836
Cash at bank		278,349	173,376	451,725	367,415
		281,408	173,376	454,784	375,251
CREDITORS					
Amounts falling due within one year	11	(47,078)	-	(47,078)	(24,706)
NET CURRENT ASSETS		234,330	173,376	407,706	350,545
TOTAL ASSETS LESS CURRENT LIABILITIES		244,430	173,376	417,806	360,645
NET ASSETS		244,430	173,376	417,806	360,645
FUNDS	12				
Unrestricted funds				244,430	153,826
Restricted funds				173,376	206,819
TOTAL FUNDS				417,806	360,645

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Trustee

Embroiderers Guild (The)

Notes to the Financial Statements **for the Year Ended 31 August 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	-	1,963
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Dividends received	12,595	-
Deposit account interest	497	-
	<u> </u>	<u> </u>
	13,092	-
	<u> </u>	<u> </u>

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Independent examiner fee	1,980	1,993
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

6. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	-	84,616
	<u> </u>	<u> </u>
	-	84,616
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	2023	2022
	-	3
Admin staff	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

7. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 September 2022 and 31 August 2023	36,640
	<u> </u>
AMORTISATION	
At 1 September 2022 and 31 August 2023	36,640
	<u> </u>
NET BOOK VALUE	
At 31 August 2023	-
	<u> </u>
At 31 August 2022	-
	<u> </u>

8. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 September 2022 and 31 August 2023	10,000
	<u> </u>
NET BOOK VALUE	
At 31 August 2023	10,000
	<u> </u>
At 31 August 2022	10,000
	<u> </u>

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

9. FIXED ASSET INVESTMENTS

**Shares in
group
undertaking
£**

MARKET VALUE

At 1 September 2022 and 31 August 2023

100

NET BOOK VALUE

At 31 August 2023

100

At 31 August 2022

100

There were no investment assets outside the UK.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other debtors	229	3,270
Prepayments and accrued income	2,830	4,566
	<u>3,059</u>	<u>7,836</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	1,618	9,848
Amounts owed to group undertakings	43,239	11,800
Other creditors	241	-
Accruals and deferred income	1,980	3,058
	<u>47,078</u>	<u>24,706</u>

12. MOVEMENT IN FUNDS

	At 1.9.22	Net	Transfers	At
	£	movement	between	31.8.23
		in funds	funds	£
		£	£	
Unrestricted funds				
General fund	153,826	90,604	(43,157)	201,273
Collection	-	-	43,157	43,157
	<u>153,826</u>	<u>90,604</u>	<u>-</u>	<u>244,430</u>
Restricted funds				
Collection	48,300	(17,457)	-	30,843
Teaching Support Nottingham	158,519	(15,986)	-	142,533
	<u>206,819</u>	<u>(33,443)</u>	<u>-</u>	<u>173,376</u>
TOTAL FUNDS	<u>360,645</u>	<u>57,161</u>	<u>-</u>	<u>417,806</u>

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	138,767	(48,163)	90,604
Restricted funds			
Collection	1,470	(18,927)	(17,457)
Teaching Support Nottingham	-	(15,986)	(15,986)
	<u>1,470</u>	<u>(34,913)</u>	<u>(33,443)</u>
TOTAL FUNDS	<u><u>140,237</u></u>	<u><u>(83,076)</u></u>	<u><u>57,161</u></u>

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	218,109	(64,283)	153,826
Restricted funds			
De Denne Memorial Fund and Young Embroiderers	2,984	(2,984)	-
Collection	57,794	(9,494)	48,300
Teaching Support Nottingham	181,891	(23,372)	158,519
Regions and Branches	4,713	(4,713)	-
	<u>247,382</u>	<u>(40,563)</u>	<u>206,819</u>
TOTAL FUNDS	<u><u>465,491</u></u>	<u><u>(104,846)</u></u>	<u><u>360,645</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	83,329	(147,612)	(64,283)
Restricted funds			
De Denne Memorial Fund and Young Embroiderers	-	(2,984)	(2,984)
Collection	-	(9,494)	(9,494)
Teaching Support Nottingham	-	(23,372)	(23,372)
Regions and Branches	-	(4,713)	(4,713)
	<u>-</u>	<u>(40,563)</u>	<u>(40,563)</u>
TOTAL FUNDS	<u><u>83,329</u></u>	<u><u>(188,175)</u></u>	<u><u>(104,846)</u></u>

Embroiderers Guild (The)

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.

Embroiderers Guild (The)

Detailed Statement of Financial Activities
for the Year Ended 31 August 2023

	2023	2022
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,020	2,355
Gift aid	3,797	9,162
Legacies	51,498	10,117
	60,315	21,634
Other trading activities		
Fundraising events	-	1,963
Investment income		
Dividends received	12,595	-
Deposit account interest	497	-
	13,092	-
Charitable activities		
Membership income	39,017	38,231
Collection & curatorial	72	360
Member activities	914	950
Education	16,593	12,453
Exhibitions & shows	10,234	7,738
	66,830	59,732
Total incoming resources		
	140,237	83,329
EXPENDITURE		
Charitable activities		
Direct costs	40,820	25,963
Support costs		
Management		
Wages	-	84,616
Insurance	3,720	3,509
Sundries	327	208
Wages recharged to subsidiary	-	(3,270)
IT support & maintenance	9,771	9,320
Database & website	8,084	27,571
Travel & subsistence	-	17
Admin & office costs	18,061	20,476
	39,963	142,447
Governance costs		
Accountancy and legal fees	2,293	19,765
Total resources expended	83,076	188,175
Net income/(expenditure)	57,161	(104,846)

This page does not form part of the statutory financial statements

THE EMBROIDERERS' GUILD

England & Wales - Charity number 234239

Accounts

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2022
for
The Embroiderers Guild

Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

The Embroiderers Guild

Contents of the Financial Statements
for the Year Ended 31 August 2022

	Page
Report of the Trustees	1 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 to 21
Detailed Statement of Financial Activities	22 to 23

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Board of Trustees present their report and financial statements of the Embroiderers' Guild (EG) for the year ended 31st August 2022. This document conforms to the Charities SORP (FRS 102) for the Trustees' Report disclosure requirements.

OBJECTIVES AND ACTIVITIES

Objectives and aims

Vision

Our 'Vision' is that... the Guild is recognised and valued as a central educational and inspirational resource - a hub for all who are attracted to or experienced in embroidery/stitch, textiles and related arts and crafts. It is seen as being supportive of all levels of ability whether for personal enjoyment through to an increasingly rewarding and enriching experience of personal accomplishment in the furtherance of historical skills, techniques, and artistic excellence.

Objectives

The principal objectives of the Charity as defined in the Articles of Association are to:

- Encourage new generations to stitch whether for pleasure, technical excellence, or artistic merit.
- Support all who teach, learn, explore, and extend the boundaries of the art of stitch.
- Publish the history of stitch and support contemporary research.
- Collect, preserve, and exhibit items of historical and contemporary significance

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

OBJECTIVES AND ACTIVITIES

Significant activities

Activities for the Public Benefit

The pandemic continued to create difficulties for many organisations in 2021/2022 and the Guild was no exception. Generally, the return to normal was slow but gradual. The Trustees have worked to deliver activities that meet the Guild's objectives, and the summary below goes beyond the end of the financial year 21/22 to show the delivery of activities prepared within the financial year.

During a period of continued uncertainty, the Trustees continued to focus on developing activities that are less dependent on face-to-face contact, will appeal to members and the wider public, and that will provide some contribution towards gaining financial stability for the Guild. These include....

1. Virtual educational talks with a range of artists and makers
 - a. Advertised on our website, in our monthly newsletter and through social media
 - b. Online booking through Eventbrite to minimise administration costs.
2. Virtual Sit and stitch sessions for those unable to attend in person stitch groups.
 - a. These enabled those who are geographically remote, with caring responsibilities or socially isolated due to health or disabilities to attend sessions delivered via Zoom.
 - b. Evening sessions have now been added to provide some further flexibility for those who work or have young children or other caring responsibilities.
3. Providing introductory courses and workshops for beginners working with a former Guild Scholar and a recent embroidery degree graduate.
4. Supporting graduates and scholars to exhibit at shows as in person shows returned.
5. Created three collaborative stitched wall panels entitled "Reasons to be Thankful" which gave thanks to NHS workers for the efforts during the pandemic. These were displayed at the Knitting and Stitching Shows in October and November 2021 and have now been donated to the NHS. Two of the panels are now hanging in the reception at the main Hillingdon Hospital and one is hanging in the reception in Mount Vernon Hospital - a sister hospital. In the future, there will be a new hospital at Hillingdon and all three panels will be hung in reception with a plaque. An eBook of the contributions to the hangings for members to view virtually has also been produced and is available on the Guild website.
6. The Members' challenge for 2021/22 was 'In and Out of Lockdown' - or 'My Lockdown Year'. Members were challenged to produce a piece that reflected their lockdown experience. Entries ranged from silent screams to the joy of simply sitting in the garden. Pieces were displayed at Knitting & Stitching Shows, Alexandra Palace and Harrogate. The winners excelled in five categories which commemorated different aspects of embroidery and the names of deceased embroiderers, who have contributed greatly to embroidery teaching, with one overall winner.
7. Continued publishing Embroidery Magazine, promoting textile artists around the world.
8. Providing digital access to Embroidery Magazine in a variety of forms to enable readers around the world to access the publication easily, cost effectively and in a more climate friendly manner. By continuing to provide and promote digital subscriptions we have overcome issues with sending printed magazines overseas post Brexit when extra duty and VAT was applied to magazines in some markets.
9. Digitised and launched the online archive of Embroideress and Embroidery magazine
 - a. The archive covers magazines from 1922 to the current time.
 - b. Hard copies of each magazine remain in the archives.
10. Continued maintenance of the collection at Discover Bucks Museum, whilst adding further donations to the Collection, enhancing the representation of contemporary artists.
11. During the whole of 2022 exhibited items from the Guild Collection in the Beryl Dean Gallery - "Sew New Exhibition" - which highlighted new acquisitions to the collection.
12. Prepared inspiration packs of fabric, threads, and other haberdashery items from donated items for sale at shows.
13. Produced display boards of examples stitched using inspiration packs.
14. Preparing to exhibit elements of the collection across decades of the 20th Century at Knitting and Stitching shows in London and Harrogate in 2022.
15. Began the development of a new, public facing website that would also include a secure members' area. The site has subsequently been launched just after the year end in September 2022.

Assessing Achievements

- All our activities have been inclusive across communities involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Adopting the lowest cost, digital administration processes, and communications including the use of social media to greater effect to improve our engagement with the wider community.
- Increased use of digital platforms has enabled the Guild to reach more people and create cost effective events for a worldwide audience.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

OBJECTIVES AND ACTIVITIES

- Holding exhibitions of embroidery and textile art into high footfall venues, raising the exposure of the Guild and the artistry of stitch by a factor of several thousands. This was achieved at the Knitting and Stitching shows at Alexandra Palace and Harrogate in 2021 and 2022.

Public benefit

Most activities we have undertaken (listed above) have been for the benefit of everyone who wants to engage with them, through exhibitions or virtual talks. Therefore, this fulfils the public benefit requirement and contributes to the objects and related aims of the charity.

Members, volunteers, and Trustees are mindful of the benefit to the public that embroidery brings and therefore conscious of it when planning events.

We have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

Additional Information

During the 2021/22 financial year and subsequently the Guild has transitioned to being a volunteer run organisation. This has been achieved with significant effort from Trustees and volunteers.

During the financial years volunteering activity included....

- Assisting with the EG Collection, folios, and library, including contributions by Trustees.
- Organising Guild Insurance for the Collection and affiliated stitch groups.
- Preparing for exhibitions in Autumn 2021 and 2022
- Running national projects including In and Out of Lockdown and the members project Collections
- Governance and administration of transition from branches and regions to affiliated independent stitch groups.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Main Achievements in relation to direct beneficiaries...

- The annual 'Members' Challenge' which encourages excellence in design, skills, and interpretation.
- Awarded start-up grants (£250) to affiliated stitch groups to assist them to become independent.
- Awarded start-up grants (£150) to Young Stitchers groups associated with affiliated stitch groups.
- Arranged and funded public liability and general insurance cover for affiliated independent stitch groups (ISG) and associated YS groups.
- Published eBooks for members to enable them to view contributions to group projects.

Main Achievements in relation to society as a whole

- Planned access for non-members to virtual talks.
- Focused initial talks on areas of more general interest e.g., historic garments that had featured on TV series.
- Promoted on social media platforms to ensure the widest reach to interested audiences.
- Planned sit and stitch sessions accessible to all members of the public.
- Planning of exhibitions for Knitting and Stitching Shows.
- Launched the exhibition 'Sew New' at Discover Bucks Museum (when museum was able to reopen post lockdowns).

Fundraising activities

- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships or magazine subscriptions, and donations for some events.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

ACHIEVEMENT AND PERFORMANCE

2021/2022 - What happened

The Guild Trustees realised that with a further reduction in membership renewals in September-November 2021, following the restructure earlier in the year, the primary source of income of the Guild was insufficient to cover the outgoing cost commitments. There remained a significant risk that the Guild as a charity would have to close.

The outgoing cost commitments were reviewed, and the difficult decision was taken that the remaining staff could not be retained even on a part-time basis and that the Guild would need to simplify its working structure to reduce overheads and would need to become reliant upon voluntary support.

Current factors influencing the future of the Charity are:

- The public perception of embroidery and the Guild itself, although this is improving through the activities planned and helped by the current Trustees and volunteers.
- An ageing membership.
- Independent stitch group members don't see a benefit in remaining with or joining the Embroiderers' Guild.
- Unfilled vacancies within the governance and volunteering structure.
- Streamlining administration costs. During 20/21 the high cost was an issue, however during 21/22 significant progress has been made to reduce these costs. This has been done through detailed analysis of every single cost and prompt action to reduce or remove costs. During 22/23 this has remained the case.
- Seeking new ways of working that reduce cost while creating opportunities for income generation.
- The need to respond to an increasing expectation of access to digital services and online content.
- Finding a way of engaging, supporting and encouraging young people who have not experienced creative education or family encouragement to enable them to build career aspirations and skills for the future.

Plans for Future Periods

The future direction of the charity is to...

- Attract a new membership drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and those, who wish to pursue a previous or new interest in stitch and textile art for pleasure and general well-being.
- Extend its distance learning offering and capacity to become a significant income stream.
- Further extend its on-line capabilities as part of a digital strategy that will enable the widest access to its resources and become a portal-of-choice for the wider stitch community.
- Continue to extend its reach into the public domain with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate, and motivate that audience to support and/or participate.
- Graduate and Scholar Showcase at future Knitting and Stitching Shows to highlight young talent in the world of embroidery.

Risks facing the Charity

The Guild maintains and regularly reviews a register of high-risk topics and factors that have the potential to undermine the viability of the charity and/or the wholly owned subsidiary - EG Enterprises Ltd. The Board of Trustees meet two to three times a month and this enables the Trustees to actively manage risks much more effectively than in the past.

- Declining membership income due, in part, to the age profile of the membership (average 70 years) and the actions the Trustees took in closing the branches and regions in 2021.
- The energy crisis and increasing interest rates impacting on the amount of disposable income people have to spend on memberships and recreational activities.
- Availability of suitably skilled volunteer resources to undertake activities to manage the Guild, especially in developing new activities and projects.
- Unwillingness of members to donate given the change to the relationship with regions and branches. This is a significant risk given the Guild relies on membership fees and donations to fund its activities, especially in developing new activities and projects. Viability of the charity remains a risk because of uncertainty over membership renewals for 23/24 and availability of resources to manage activities.

Risks facing the wholly owned subsidiary - EG Enterprises Ltd

- Embroidery magazine ceases to make a trading profit and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. A detailed review of all costs has been undertaken to ensure effective cost management. Increased social media presence, a new editor and an increased range of subscription options has helped retain and attract new subscribers during the year.
- Increasing costs due to the energy crisis and increased demand for cardboard has moved production away from paper, making it more expensive, and long-term industrial disputes at major suppliers continues to impact the profitability due to increasing costs.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

FINANCIAL REVIEW

Financial position

The main sources of income of the Guild are members' subscriptions, donations, legacies, and profit on the sale of magazines from our trading company EG Enterprises Limited, (EGE). During the current financial year 21/22 the Trustees sought new income sources and specifically online talks have been well received and proven a good source of revenue. This has built on one of the outcomes of the pandemic which is people getting used to using virtual platforms to communicate with others.

The Embroiderers' Guild recorded a deficit of £104,846 (2021: deficit of £217,261).

The Guild deficit was primarily due to a decline in membership subscriptions in the year. The Guild continues to be extremely grateful to its benefactors. The Trustees are committed to monitoring and exercising tight control over all costs. During 21/22 and in the current year 22/23 they have achieved a significant reduction in support costs, to achieve a target of breaking even in future financial years.

Branch and Regional funds

Two branches were still to finalise the remaining funds that need to be transferred to the Guild at the end of 20/21 as they did not use Unity Bank accounts. This was resolved during 21/22.

Reserves policy

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities.

In previous years the Trustees have been unable to utilise the restricted fund "Teaching Support Nottingham" due to the limited purposes applied to the funds. During 21/22, the Trustees obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator to further education on embroidery. The balance of this fund is currently £158,519.

The other restricted fund is for the upkeep of the Collection and has a balance of £48,300. The Trustees seek to maintain the fund at a sufficient level to cover the costs of maintaining, storage, insurance and curation of the Collection over three years.

The balance of unrestricted funds on 31st August 2022 was £153,826. The reserves amounted to £360,645.

Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild has setup a saving deposit platform with CAF/Flagstone to ensure all Guild funds are protected by the FSCS (Financial Services Compensation Scheme) and to take advantage of the increase in interest rates. Restricted funds are held on this platform to generate interest income.

Going concern

The Guild remains conservative in its projections for 22/23, due to the energy crisis and rise in interest rates. For some the annual membership will prove a luxury they will no longer be able to afford.

Due to significant effort on behalf of the Trustees the Guild's operating costs have been significantly reduced.

Events and the relaunched courses "Inspired to Create" are starting to provide a consistent income that has offset some of the reduction in income from membership fees.

Providing the Trustees continue to control costs and efficiently implement effective new income generation ideas for which there is sufficient support from members and volunteers the Guild may be able to break even in 22/23 and 23/24.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

FINANCIAL REVIEW

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including the income and expenditure of the Charitable Company, for that period. In preparing these financial statements, the Trustees are required to: -

- select suitable accounting policies and apply them consistently.
- observe the methods and principles of the Statement of Recommended Practice, Accounting and Reporting by Charities.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for the Guild keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Articles of Association approved by members at an Extraordinary General Meeting (EGM) held on 20th June 2015. It is recognised the Articles need reviewing however the Trustees have had higher priorities, so it is still to be done.

The Embroiderers Guild is a charitable company limited by guarantee.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees may be nominated by members of the Guild and are appointed by the Trustees.

During the significant changes during the past 18 months the Trustees have worked together as a team, pooling their skills and experience to complete the activities and tasks required to resolve the Guild's financial difficulties. The recovery work is still ongoing and part of this will include the Trustees reviewing how the Guild should be structured and administered. This will include a review of the appropriateness of the Trustee Seats for the future.

The Chair of the Board of Trustees is elected by the members of the board from their number. The period of "office" as Chair of the Board is normally between 2 and 4 years.

Muriel Campbell was the elected 'Chair of the Board' on 31st August 2018. She subsequently retired as Chair on 30th September 2020. During the past year Dr Penny Hill has deputised as Chair of the Board. The review of the structure and administration will include redefining the role of Chair of the Board of Trustees and seeking an appropriate person to fulfil that role.

Board of Trustees

Due to current circumstances the Board of Trustees meets two to three times each month, as it governs and operates the Charity.

The Board's focus is on the Objectives and Activities.

The Trustees regularly declare any conflicts of interest as part of the Board meeting process to recognise, manage and eliminate the possibilities of risks related to the activities of Trustees and related parties (company directors or family members).

The authority of the Trustees is set out clearly in the Articles of Association approved by members at the EGM on 20th June 2015. The Board of Trustees delegated authority to the CEO prior to his retirement to make operational and employment decisions and to contract with others on behalf of the Guild. The Board of Trustees are now responsible for these decisions and contracting with others.

Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either by a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM.

Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board. All Trustees are required to sign and observe a 'Code of Conduct'.

Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

During the year ended 31st August 2022 the Guild comprised of the Board of Trustees, Head Office (staff until January 2022) and volunteers. In particular, volunteers working at Discover Bucks Museum and a volunteer managing insurance cover.

During the year ended 31 August 2022 the Guild had four employees (three full-time and one part-time). One member of staff was made redundant in September 2021, the remaining three staff were made redundant in December 2021 and January 2022. In addition, it contracted with sole traders, private limited companies, and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking, and, from time-to-time, legal advice. The staff worked remotely from home with reliable communication links between each other and the Trustees.

Since January 2022 the Trustees along with volunteers have taken on the administrative activities of the Guild previously undertaken by staff.

Membership

At the end of August 2022, the Guild had 1,555 adult members. These comprise Life Members and Individual Members. Young embroiderers are no longer required to be members of an affiliated independent stitch group.

Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2021/22.

The Trading Company - EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly owned subsidiary, EG Enterprises Ltd continues to publish Embroidery magazine. The directors of EG Enterprises Ltd may be drawn from the Trustees, and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not directly employ staff, nor does it have separate premises. However, it is assigned a share of Guild resources sufficient only to publish and distribute the magazine. EG Enterprises Ltd may develop new and alternative income streams, but it has no working capital. Taxable profits are 'gift aided' to the Guild.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00294310 (England and Wales)

Registered Charity number

234239

Registered office

Bucks County Museum
Church Street
Aylesbury
HP20 2QP

Trustees

Anthea Godfrey (Artistic Director)
Anne Haigh
Penny Hill (Special interest - Social Media)
Neil Hitchins (resigned 22.6.22)
Alex Messenger (Artistic Director for Young & Students)
Helen Miller
Amanda Smith (Special interest - Education)
Julie Stenning

Independent Examiner

Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

Approved by order of the board of trustees on 18 April 2023 and signed on its behalf by:

The Embroiderers Guild
Report of the Trustees
for the Year Ended 31 August 2022

Penny Hill - Trustee

**Independent Examiner's Report to the Trustees of
The Embroiderers Guild**

Independent examiner's report to the trustees of The Embroiderers Guild ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Paul Colcomb FCCA

Wright Vigar Limited
Chartered Accountants & Business Advisers
15 Newland
Lincoln
Lincolnshire
LN1 1XG

26 April 2023

The Embroiderers Guild

Statement of Financial Activities
for the Year Ended 31 August 2022

		Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies		21,634	-	21,634	54,376
Charitable activities					
Collection and curatorial		360	-	360	-
Member activities		950	-	950	50,378
Education		12,453	-	12,453	-
Exhibitions and shows		7,738	-	7,738	-
Membership		38,231	-	38,231	158,656
Other trading activities	2	1,963	-	1,963	1,264
Investment income	3	-	-	-	51
Total		83,329	-	83,329	264,725
EXPENDITURE ON					
Raising funds		-	-	-	12,530
Charitable activities	4				
Collection and curatorial		7,155	12,220	19,375	23,004
Member activities		3,020	402	3,422	137,473
Grant making		(800)	7,445	6,645	52,351
Education		(8,779)	20,047	11,268	21,182
Exhibitions and shows		27,603	449	28,052	3,057
Young Embroiderers		6,537	-	6,537	36,682
Membership		112,876	-	112,876	195,707
Total		147,612	40,563	188,175	481,986
NET INCOME/(EXPENDITURE)		(64,283)	(40,563)	(104,846)	(217,261)
RECONCILIATION OF FUNDS					
Total funds brought forward		218,109	247,382	465,491	682,752
TOTAL FUNDS CARRIED FORWARD		153,826	206,819	360,645	465,491

The notes form part of these financial statements

The Embroiderers Guild

Balance Sheet
31 August 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Heritage assets	12	10,000	-	10,000	10,000
Investments	13	100	-	100	100
		<u>10,100</u>	<u>-</u>	<u>10,100</u>	<u>10,100</u>
CURRENT ASSETS					
Debtors	14	7,836	-	7,836	46,623
Cash at bank		160,596	206,819	367,415	482,372
		<u>168,432</u>	<u>206,819</u>	<u>375,251</u>	<u>528,995</u>
CREDITORS					
Amounts falling due within one year	15	(24,706)	-	(24,706)	(73,604)
		<u>143,726</u>	<u>206,819</u>	<u>350,545</u>	<u>455,391</u>
NET CURRENT ASSETS					
		<u>143,726</u>	<u>206,819</u>	<u>350,545</u>	<u>455,391</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>153,826</u>	<u>206,819</u>	<u>360,645</u>	<u>465,491</u>
NET ASSETS		<u>153,826</u>	<u>206,819</u>	<u>360,645</u>	<u>465,491</u>
FUNDS	16				
Unrestricted funds				153,826	218,109
Restricted funds				206,819	247,382
TOTAL FUNDS				<u>360,645</u>	<u>465,491</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 18 April 2023 and were signed on its behalf by:

Penny Hill - Trustee

The Embroiderers Guild

Notes to the Financial Statements **for the Year Ended 31 August 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements and assessment of going concern

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Preparation of consolidated financial statements

The financial statements contain information about The Embroiderers Guild as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Legacies and donations are recognised when the Charity is entitled to receipt and the amount ascertained with reasonable certainty. Subscriptions and membership fees (other than Life Membership fees) are spread over the period covered by the subscription and amounts received in excess of the amounts credited are deferred. Life membership subscriptions once paid are not refundable. They are therefore credited as income in the year of receipt.

Expenditure and cost allocation

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include the costs of administering the Charity as a legal entity and include costs of Trustees meetings, audit fees, other statutory costs and allocated to support costs.

The Charity is not registered for VAT and costs are disclosed inclusive of VAT where charged.

Intangible assets

Intangible assets comprise externally acquired computer software and databases. These are carried at cost less accumulated amortisation and any recognised impairment loss. Intangible assets such as externally acquired computer software and software licences are capitalised and amortised on a straight-line basis, from the date they are brought into use, over their useful lives of three to fifteen years.

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

Estimation of useful life

The charge in respect of the periodic amortisation is derived by estimating an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced amortisation charge in the statement of financial activities.

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the charitable company will receive benefits from the software.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 33% on reducing balance

Heritage assets

The Guild maintains a collection of embroidery and related items. This collection of approximately 8,500 items has been built up over many years.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES - continued

Heritage assets

The original cost of individual items acquired historically is not available. Many items have been donated. The nature of the collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method,

Investments

The investment in the subsidiary company is disclosed on the balance sheet at cost.

Investments are a form of basic financial investment and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Pension fund contributions

The pension costs charge represents the Charity's contributions to personal pensions plans of staff members, and these are brought into account when payments arising to the scheme fall due.

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Fundraising events	1,963	-
Other income	-	654
Branch fundraising activities	-	610
	<u>1,963</u>	<u>1,264</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Interest received by branches	-	51
	<u>-</u>	<u>51</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Collection and curatorial	16,265	3,110	19,375
Member activities	(728)	4,150	3,422
Grant making	6,645	-	6,645
Education	2,287	8,981	11,268
Exhibitions and shows	1,744	26,308	28,052
Young Embroiderers	-	6,537	6,537
Membership	(250)	113,126	112,876
	<u>25,963</u>	<u>162,212</u>	<u>188,175</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Direct costs	<u>25,963</u>	<u>207,134</u>

Expenditure on grant making represents funding awarded to Independent Stitch Groups that affiliated to the Guild. Grants were awarded at £250 per ISG with additional amounts awarded where the Guild held funds restricted to use in the area served by an ISG.

6. SUPPORT COSTS

	Management	Governance costs	Totals
	£	£	£
Collection and curatorial	2,862	248	3,110
Member activities	4,150	-	4,150
Education	7,993	988	8,981
Exhibitions and shows	22,355	3,953	26,308
Young Embroiderers	5,549	988	6,537
Membership	99,538	13,588	113,126
	<u>142,447</u>	<u>19,765</u>	<u>162,212</u>

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

6. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	Collection and curatorial £	Member activities £	Education £	Exhibitions and shows £
Wages	957	-	3,829	15,315
Insurance	1,474	2,035	-	-
Sundries	3	-	10	42
CEO Fees	-	-	-	-
Wages recharged to subsidiary	-	-	-	-
IT support & maintenance	-	-	-	-
Database & website	299	-	1,195	4,780
Travel & subsistence	-	-	-	-
Admin & office costs	129	2,115	2,959	2,218
Governance costs	-	-	-	-
Amortisation of intangible fixed assets	-	-	-	-
Depreciation of tangible and heritage assets	-	-	-	-
Accountancy and legal fees	248	-	988	3,953
	<u>3,110</u>	<u>4,150</u>	<u>8,981</u>	<u>26,308</u>
			2022	2021
	Young	Membership	Total	Total
	Embroiderers		activities	activities
	£	£	£	£
Wages	3,829	60,686	84,616	106,292
Insurance	-	-	3,509	8,031
Sundries	10	143	208	4,477
CEO Fees	-	-	-	37,400
Wages recharged to subsidiary	-	(3,270)	(3,270)	(8,864)
IT support & maintenance	-	9,320	9,320	13,165
Database & website	1,195	20,102	27,571	13,426
Travel & subsistence	-	17	17	925
Admin & office costs	515	12,540	20,476	32,096
Governance costs	-	-	-	16,125
Amortisation of intangible fixed assets	-	-	-	3,664
Depreciation of tangible and heritage assets	-	-	-	22,162
Accountancy and legal fees	988	13,588	19,765	25,650
	<u>6,537</u>	<u>113,126</u>	<u>162,212</u>	<u>274,549</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Computer software amortisation	-	3,664
Independent examiners fee	1,993	5,520
Impairment	-	22,162
Operating lease payments	-	5,263
	<u>-</u>	<u>36,549</u>

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	84,616	106,292
	<u>84,616</u>	<u>106,292</u>

Key management personnel of the charity comprises the Trustees and Chief Executive and total remuneration payable to them amounted to £nil (2021: £37,400). The Chief Executive post ceased in 2020/2021.

The average monthly number of employees during the year was as follows:

	2022	2021
Admin staff	<u>3</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

10. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 September 2021 and 31 August 2022	<u>36,640</u>
AMORTISATION	
At 1 September 2021 and 31 August 2022	<u>36,640</u>
NET BOOK VALUE	
At 31 August 2022	<u>-</u>
At 31 August 2021	<u>-</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 September 2021	121,460
Disposals	(121,460)
At 31 August 2022	<u>-</u>
DEPRECIATION	
At 1 September 2021	121,460
Eliminated on disposal	(121,460)
At 31 August 2022	<u>-</u>
NET BOOK VALUE	
At 31 August 2022	<u>-</u>
At 31 August 2021	<u>-</u>

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

12. HERITAGE ASSETS

	Total £
COST LESS IMPAIRMENT	
At 1 September 2021 and 31 August 2022	10,000
NET BOOK VALUE	
At 31 August 2022	10,000
At 31 August 2021	10,000

The Guild maintains a collection of embroidery and related items. Proceeds from disposals of heritage assets amounted to £nil in the year ended 31/08/2022, £nil in the year ended 31/08/2021, £12,180 in the year ended 31/08/2020, £112 in the year ended 31/08/2019, £nil in the year ended 31/08/2018 and £78,466 in the year ended 31/08/2017.

The Guild has a permanent gallery at Bucks County Museum, which is available to members in business hours 5 days a week. The Guild plans to continue to provide the general public with access to the travelling exhibition of the collection. Though the Collection is insured for £642,000, this figure is for insurance purposes only and is not reflected as an asset in the accounts.

The original cost of individual items acquired historically is not available and many items have been donated. The nature of the Collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST LESS IMPAIRMENT	
At 1 September 2021 and 31 August 2022	100
NET BOOK VALUE	
At 31 August 2022	100
At 31 August 2021	100

There were no investment assets outside the UK.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	-	483
Other debtors	3,270	8,864
Prepayments and accrued income	4,566	37,276
	<u>7,836</u>	<u>46,623</u>

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	9,848	12,548
Amounts owed to group undertakings	11,800	35,782
Social security and other taxes	-	1,440
Other creditors	-	945
Accruals and deferred income	3,058	22,889
	<u>24,706</u>	<u>73,604</u>

16. MOVEMENT IN FUNDS

	At 1.9.21	Net	At
	£	movement	31.8.22
		in funds	£
		£	
Unrestricted funds			
General fund	218,109	(64,283)	153,826
Restricted funds			
De Denne Memorial Fund and Young			
Embroiderers	2,984	(2,984)	-
Collection	57,794	(9,494)	48,300
Teaching Support Nottingham	181,891	(23,372)	158,519
Regions and Branches	4,713	(4,713)	-
	<u>247,382</u>	<u>(40,563)</u>	<u>206,819</u>
TOTAL FUNDS	<u>465,491</u>	<u>(104,846)</u>	<u>360,645</u>

Net movement in funds, included in the above are as follows:

	Incoming	Resources	Movement
	resources	expended	in funds
	£	£	£
Unrestricted funds			
General fund	83,329	(147,612)	(64,283)
Restricted funds			
De Denne Memorial Fund and Young			
Embroiderers	-	(2,984)	(2,984)
Collection	-	(9,494)	(9,494)
Teaching Support Nottingham	-	(23,372)	(23,372)
Regions and Branches	-	(4,713)	(4,713)
	<u>-</u>	<u>(40,563)</u>	<u>(40,563)</u>
TOTAL FUNDS	<u>83,329</u>	<u>(188,175)</u>	<u>(104,846)</u>

The Embroiderers Guild

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	324,409	(185,443)	79,143	218,109
Restricted funds				
De Denne Memorial Fund and Young Embroiderers	66,329	(2,880)	(60,465)	2,984
Folios	456	-	(456)	-
Broderers Annual Members Collection	874	-	(874)	-
Madeira Fund	68,778	(10,984)	-	57,794
Teaching Support Nottingham Regions and Branches	432	-	(432)	-
	181,891	-	-	181,891
	39,583	(17,954)	(16,916)	4,713
	<u>358,343</u>	<u>(31,818)</u>	<u>(79,143)</u>	<u>247,382</u>
TOTAL FUNDS	<u>682,752</u>	<u>(217,261)</u>	<u>-</u>	<u>465,491</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	250,601	(436,044)	(185,443)
Restricted funds			
De Denne Memorial Fund and Young Embroiderers	-	(2,880)	(2,880)
Collection	10,000	(20,984)	(10,984)
Regions and Branches	4,124	(22,078)	(17,954)
	<u>14,124</u>	<u>(45,942)</u>	<u>(31,818)</u>
TOTAL FUNDS	<u>264,725</u>	<u>(481,986)</u>	<u>(217,261)</u>

The restricted funds include the Regions and Branches fund (which consists of the restricted funds within all the regions and branches, usually recent project grants), the Collection fund (which represents funds received to support the costs of preserving the Guild's collection of embroidery items), the De Denne Memorial Fund (which represents funds received to be used for the benefit of young embroiderers) and the Teaching Support Nottingham Fund.

Transfers from restricted funds to unrestricted funds in the previous year represent a correction to the fund balances for expenses incurred in previous years which were charged against unrestricted funds, rather than the relevant restricted fund.

17. RELATED PARTY DISCLOSURES

At the year end, £11,800 (2021: £35,782) was owed by the charity to its subsidiary, E.G. Enterprises Limited. The balance is interest free and repayable on demand.

The Embroiderers Guild

Detailed Statement of Financial Activities
for the Year Ended 31 August 2022

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,355	8,357
Donations received by branches	-	4,927
Gift aid	9,162	31,092
Legacies	10,117	10,000
	21,634	54,376
Other trading activities		
Fundraising events	1,963	-
Other income	-	654
Branch fundraising activities	-	610
	1,963	1,264
Investment income		
Interest received by branches	-	51
Charitable activities		
Membership income	38,231	158,656
Collection & curatorial	360	-
Member activities	950	50,378
Education	12,453	-
Exhibitions & shows	7,738	-
	59,732	209,034
Total incoming resources	83,329	264,725
EXPENDITURE		
Raising donations and legacies		
Branch Fundraising	-	121
Fundraising costs	-	182
	-	303
Charitable activities		
Direct costs	25,963	207,134
Support costs		
Management		
Wages	84,616	106,292
Insurance	3,509	8,031
Sundries	208	4,477
CEO Fees	-	37,400
Wages recharged to subsidiary	(3,270)	(8,864)
IT support & maintenance	9,320	13,165
Database & website	27,571	13,426
Travel & subsistence	17	925
Admin & office costs	20,476	32,096
Governance costs	-	16,125
Amortisation of intangible fixed assets	-	3,664
Depreciation of tangible and heritage assets	-	22,162
	142,447	248,899

This page does not form part of the statutory financial statements

The Embroiderers Guild

Detailed Statement of Financial Activities
for the Year Ended 31 August 2022

	2022 £	2021 £
Management		
Governance costs		
Accountancy and legal fees	19,765	25,650
Total resources expended	188,175	481,986
Net expenditure	<u>(104,846)</u>	<u>(217,261)</u>

This page does not form part of the statutory financial statements

THE EMBROIDERERS' GUILD

England & Wales - Charity number 234239

Accounts

Company Registration No. 00294310 (England and Wales)

Registered Charity No. 234239 (England and Wales)

Registered Charity Number SC040142 (Scotland)



The Embroiderers' Guild

Report and Financial Statements

For the year ended 31 August 2021

Report of the Board of Trustees for the year ended 31st August 2021.

The Board of Trustees present their report and financial statements of the Embroiderers' Guild (EG) for the year ended 31st August 2021. The activities and financial statement incorporate the results of the regions and branches of the Guild.

This document conforms to the Charities SORP (FRS 102) for the Trustees' Report disclosure requirements.

Objectives and Activities

Vision

Our 'Vision' is that... *the Guild is recognised and valued as a central educational and inspirational resource – a hub for all who are attracted to or experienced in embroidery/stitch, textiles and related arts and crafts. It is seen as being supportive of all levels of ability whether for personal enjoyment through to an increasingly rewarding and enriching experience of personal accomplishment in the furtherance of historical skills, techniques, and artistic excellence.*

Objectives

The principal objectives of the Charity as defined in the Articles of Association are to:

- **Encourage** new generations to stitch whether for pleasure, technical excellence, or artistic merit.
- **Support** all who teach, learn, explore, and extend the boundaries of the art of stitch.
- **Publish** the history of stitch and support contemporary research.
- **Collect**, preserve, and exhibit items of historical and contemporary significance.

Activities for the Public Benefit

The pandemic created difficulties for many organisations in 2020/2021 and the Guild was no exception. During that time and as activities started to return to normal the Trustees have worked to deliver activities that meet the Guild's objectives, and the summary below goes beyond the end of the financial year 20/21 to show the delivery of activities prepared within the financial year.

During a period of general uncertainty, the Trustees have focused on developing activities that are not dependent on face-to-face contact, will appeal to members and the wider public, and that will provide some contribution towards gaining financial stability for the Guild. These include....

1. Planned and commenced virtual educational talks with a range of artists and makers
 - a. Advertised on our website and through social media
 - b. Online booking through Eventbrite minimised admin costs.
2. Planned virtual Sit and stitch sessions for those unable to attend in person stitch groups.
 - a. These enabled those who are geographically remote, with caring responsibilities or socially isolated due to health or disabilities to attend sessions delivered via Zoom.
 - b. More are planned for the coming quarters.
3. Explored relaunching the Guild's virtual courses for beginners working with a former Guild Scholar.
4. Supported graduates and scholars to exhibit at shows once the pandemic eased and in person shows returned.
5. Created a collaborative stitched wall hanging entitled "Reasons to be Thankful" which gave thanks to NHS workers for the efforts during the pandemic.
 - a. Prepared to display hangings at the Knitting and Stitching Show in October 2021
 - b. Prepared eBook of the contributions to the hangings for members to virtually view the contributions.
6. Exquisite Containers was the Members' Challenge for 2020. The title was inspired by three new and exciting donations to the Guild and resulted in many entries including some 3D pieces for the first time. Pieces were displayed at Knitting & Stitching Shows Alexandra Palace and Harrogate. The winners excelled in five categories which commemorated different aspects of embroidery and the names of deceased embroiderers, who have contributed greatly to embroidery teaching, with one overall winner.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

7. Continued publishing Embroidery Magazine, promoting textile artists around the world.
 - a. Revamped website for Embroidery magazine enabling more people to find the magazine and subscribe to it.
8. Provided digital subscriptions to Embroidery Magazine to enable readers around the world to access the publication easily, cost effectively and in a more climate friendly manner.
 - a. By continuing to provide and promote digital subscriptions we have overcome issues with sending printed magazines overseas post Brexit when extra duty and VAT was applied to magazines in some markets.
9. Digitised and launched the online archive of Embroideress and Embroidery magazine
 - a. The archive covers magazines from 1922 to the current time.
 - b. Hard copies of each magazine remain in the archives.
10. Continued maintenance of the collection at Bucks County Museum.
11. Continued running the Birds Exhibition at the Beryl Dean Gallery in Bucks County Museum (now called Discover Bucks).
 - a. Produced an eBook on the Birds exhibition for members who couldn't physically attend the exhibition.
12. Created a new exhibition in the Beryl Dean Gallery – "Sew New" – which highlights new acquisitions to the collection.
13. Created two new folios on the topic of Val Campbell Harding.
14. Prepared inspiration packs of fabric, threads, and other haberdashery items from donated items for sale at shows.
15. Produced display boards of examples stitched using inspiration packs.
16. Prepared to exhibit elements of the collection at Knitting and Stitching shows in London and Harrogate in 2021.

Assessing Achievements

- All our activities have been inclusive across communities involving members, top practitioners, tutors, speakers, teachers, partners, cultural groups, and the public.
- Adopting the lowest cost, digital administration processes, and communications including use social media to greater effect to improve our engagement with the wider community.
- Increased use of digital platforms has enabled the Guild to reach more people and create cost effective events for a worldwide audience.
- Holding exhibitions of embroidery and textile art into high footfall venues and raised the exposure of the Guild and the artistry of stitch by a factor of many hundreds. This was achieved at the Knitting and Stitching shows in 2021.

Public Benefit

Most activities we have undertaken (listed above) have been for the benefit of everyone who wants to engage with them, through exhibitions or virtual talks. Therefore, this fulfils the public benefit requirement and contributes to the objects and related aims of the charity.

Members, volunteers, and Trustees are mindful of the benefit to the public that embroidery brings and therefore conscious of it when planning events.

We have had regard to the Charity Commission's guidance on public benefit when exercising any powers or duties to which the guidance is relevant.

Additional Information

During the 2020/21 financial year and subsequently the Guild has transitioned to being a volunteer run organisation. This has been achieved with significant effort from Trustees and volunteers.

During the financial years volunteering activity included....

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

- Assisting with the EG Collection, folios, and library, including contributions by Trustees.
- Organising Guild Insurance for the Collection and affiliated stitch groups.
- Preparing for exhibitions in Autumn 2021
- Running national projects including Exquisite Containers
- Governance and administration of transition from branches and regions to affiliated independent stitch groups.

Achievements and Performance

Main Achievements in relation to direct beneficiaries...

- The annual 'Members' Challenge' which encourages excellence in design, skills, and interpretation.
- Awarded start-up grants (£250) to affiliated stitch groups to assist them to become independent.
- Awarded start-up grants (£150) to Young Stitchers groups associated with affiliated stitch groups.
- Arranged and funded public liability and general insurance cover for affiliated independent stitch groups (ISG) and associated YS groups.
- Published eBooks for members to enable them to view contributions to group projects.

Main Achievements in relation to society as a whole

- Planned access for non-members to virtual talks
- Focused initial talks on areas of more general interest e.g., historic garments that had featured on TV series.
- Promoted on social media platforms to ensure the widest reach to interested audiences.
- Planned sit and stitch sessions accessible to all members of the public.
- Planning of exhibitions for Knitting and Stitching Shows
- Continued exhibition of "The Birds" at Bucks County Museum (when museum was able to reopen post lockdowns).

Fundraising

- As required by the Charity Governance code we confirm that the Guild does not employ professional fund raisers.
- Additionally, the Guild does not have funds or contracts awarded from local authorities or national or devolved governments.
- The only income received from overseas is the payment of annual personal memberships or magazine subscriptions, and donations for events.

2020/2021 – What happened

The Guild Trustees realised that with a significant reduction in membership renewals in September-November 2020 the primary source of income of the Guild was insufficient to cover the outgoing cost commitments. There was a significant risk that the Guild as a charity would have to close if urgent and significant action was not taken.

The CEO and Trustees, in place at that time, assessed the options and decided to try to put the Guild into a sustainable position as they were reluctant to close the Guild which had been running for over 125 years.

The outgoing cost commitments were reviewed, and the difficult decision was taken that the network of branch and regional groups would need to close. As the reserves of the Charity were held in the branch and region bank accounts the Trustees had no alternative but, in line with well recognized financial protocols, to freeze and call in these funds immediately when they announced the closure of the branches and regions.

Unfortunately, as became clear after the accounts were frozen, the branches and regions had not fully appreciated that their accounts were the reserves of the overall organisation and could be called in. In the past, the financial structure of the Guild was not clearly communicated to regions and branches by head office.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

Current factors influencing the future of the Charity are:

- The public perception of embroidery and the Guild itself, although this is improving through the activities planned and held by the current Trustees and volunteers.
- An ageing membership.
- Independent stitch group members don't see a benefit in remaining with or joining the Embroiderers' Guild.
- Unfilled vacancies within the governance and volunteering structure.
- Streamlining administration costs. During 20/21 the high cost was an issue, however in the current financial year significant progress has been made to reduce these costs. This has been done through detailed analysis of every single cost and prompt action to reduce or remove costs.
- Seeking new ways of working that reduce cost while creating opportunities for income generation.

Plans for Future Periods

The future direction of the charity is to...

- **Attract a new membership** drawn from people in two primary groups i.e., those with an interest and personal investment in stitch and textile art who wish to further that interest after leaving further or higher education and people, a little later in life, who find themselves with available time to pursue a previous or new interest in stitch and textile art.
- **Extend its distance learning offering** and capacity to become a significant income stream.
- **Further extend its on-line capabilities** to enable the widest access to its resources and be a portal-of-choice for the wider stitch community.
- **Continue to extend its reach into the public domain** with partnerships and projects that bring stitch and textile art to the widest audience in ways that inspire, educate, and motivate that audience to support and/or participate.
- **Graduate and Scholar Showcase** at future Knitting and Stitching Shows to highlight young talent in the world of embroidery.
- **The Beryl Dean Award** will be awarded in 2022 after a hiatus due to the pandemic.

Risks facing the Charity

The Guild maintains and regularly reviews a register of high-risk topics and factors that have the potential to undermine the viability of the charity and/or the wholly owned subsidiary – EG Enterprises Ltd. The board meets two to three times a month and this enables the Trustees to actively manage risks much more effectively than in the past.

- Declining membership income due, in part, to the age profile of the membership (average 70 years) and the recent actions the Trustees took in closing the branches and regions. The full impact to be realised in 21/22.
- Availability of volunteer resources to undertake activities to manage the Guild, especially in developing new activities and projects.
- Unwillingness of members to donate given the change to the relationship with regions and branches. This is a significant risk given the Guild relies on membership fees and donations to fund its activities, especially in developing new activities and projects. Viability of the charity remains a risk because of uncertainty over membership renewals for 22/23 and availability of resources to manage activities.

Risks facing the wholly owned subsidiary – EG Enterprises Ltd

- **Embroidery magazine ceases to make a trading profit** and/or cannot pay the overhead costs associated with its production and distribution. To be reviewed on an issue-by-issue basis. The new website for the magazine has helped attract and retain subscribers during the year.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

- Post year end, increasing costs due to the energy crisis and increased demand for cardboard has moved production away from paper, making it more expensive, and long-term industrial disputes at major suppliers are all impacting the profitability due to increasing costs.

Financial Review

The main sources of income of the Guild are members' subscriptions, donations, legacies, and profit on the sale of magazines from our trading company EG Enterprises Limited, (EGE). In addition, these accounts include income from branches and regions, until the accounts were called in as discussed above. During the current financial year 21/22 the Trustees sought new income sources and specifically online talks have been well received and proven a good source of revenue. This has built on one of the outcomes of the pandemic which is people getting used to using virtual platforms to communicate with others.

The Embroiderers' Guild recorded a deficit of £217,261 (2020: deficit of £114,010).

The Guild deficit was primarily due to a decline in membership subscriptions in the year and the continuing impact of the pandemic. The Guild continues to be extremely grateful to its benefactors. The Trustees are committed to monitoring and exercising tight control over all costs. During 20/21 and in the current year 21/22 they have achieved a significant reduction in support costs, to achieve a target of breaking even in future financial years.

Branch and Regional funds

Once all branch and region expenses have been paid and grant specific restricted funds transferred back to the relevant group the net amount retained by the Guild will be £510,000.

Two branches are still to finalise the remaining funds that need to be transferred to the Guild as they did not use Unity Bank accounts. The Trustees are pursuing this within their remit.

Reserves Policy

The Charity holds both restricted and unrestricted funds. These funds relate to a wide range of Guild activities and exist to cover future expenditure on these charitable activities.

The Trustees have been unable to utilise the restricted fund "Teaching Support Nottingham" so far due to the limited purposes applied to the funds. After the year end, the Trustees have obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator to further education on embroidery. The balance of this fund is currently £181,891.

The other restricted fund is for the upkeep of the Collection and has a balance of £57,794. This was augmented in the year by a legacy of £10,000.

The balance of unrestricted funds on 31st August 2021 was £218,109, including £25,389 held by branches (Note 18 of the accounts). Excluding fixed assets held for the charitable company's own use, reserves amounted to £208,109.

Under its Articles of Association, the Charity has the power to make investments as the Trustees see fit, subject to the jurisdiction of the Charity Commissioners. The Guild realised its holdings with Cazenove Fund Management Limited during the year.

Concerns about the Charity as a going concern

The Guild are projecting a further loss in 21/22, partially due to redundancy payments to staff and moving to a volunteer run organisation.

Due to significant effort on behalf of the Trustees the Guild's operating costs have been significantly reduced.

Events are starting to provide a consistent income that has offset some of the reduction in income from membership fees.

Providing there are sufficient volunteers to organise events as well as manage other activities of the Guild to keep current membership levels the Guild should break even in 22/23.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law and the law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including the income and expenditure of the Charitable Company, for that period. In preparing these financial statements, the Trustees are required to: -

- select suitable accounting policies and apply them consistently.
- observe the methods and principles of the Statement of Recommended Practice, Accounting and Reporting by Charities.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charitable Company will continue to operate.

The Trustees are responsible for the Guild keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charity (Accounts and Reports) Regulations 2008, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, Governance and Management

Type of Governing Document

Articles of Association approved by members at an Extraordinary General Meeting (EGM) held on 20th June 2015. It is recognised the Articles need reviewing however the Trustees have had higher priorities, so it is still to be done.

The Embroiderers' Guild is a charitable company limited by guarantee.

Trustee Selection Methods

Trustees may be nominated by members of the Guild and are appointed by the Trustees.

During the significant changes during the past 18 months the Trustees have worked together as a team, pooling their skills and experience to complete the activities and tasks required to resolve the Guild's financial difficulties. The Trustees have also strengthened by recruiting new Trustees. The recovery work is still ongoing and part of this will include the Trustees reviewing how the Guild should be structured and administered. This will include a review of the appropriateness of the Trustee Seats for the future.

The Chair of the Board of Trustees is elected by the members of the board from their number. The period of "office" as Chair of the Board is normally between 2 and 4 years.

Muriel Campbell was the elected 'Chair of the Board' on 31st August 2018. She subsequently retired as Chair on 30th September 2020. During the past year Dr Penny Hill has deputised as Chair of the Board. The review of the structure and administration will include redefining the role of Chair of the Board of Trustees and seeking an appropriate person to fulfil that role.

Board of Trustees

Due to current circumstances the Board of Trustees meets two to three times each month, as it governs and operates the Charity.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

The Board's focus is on the Objectives and Activities.

The Trustees regularly declare any conflicts of interest as part of the Board meeting process to recognise, manage and eliminate the possibilities of risks related to the activities of Trustees and related parties (company directors or family members).

The authority of the Trustees is set out clearly in the Articles of Association approved by members at the EGM on 20th June 2015. The Board of Trustees delegated authority to the CEO prior to his retirement to make operational and employment decisions and to contract with others on behalf of the Guild. The Board of Trustees are now responsible for these decisions and contracting with others.

Some decisions, normally related to the membership as a whole or the conduct of the company, require the approval of members, either by a simple majority or, in some instances, a minimum of 75%. Such decisions are set out in the Articles of Association and members may vote in person or by proxy usually at an AGM or EGM.

Trustees are conscious of the obligations of corporate governance and duties as defined by the Charity Commission and as set out under the accountabilities of directors as stated in the Companies Act 2006. Trustees are encouraged to visit the National Council for Voluntary Organisations (NCVO) website for further guidance and clarity. Trustees are encouraged to acquire and maintain relevant knowledge and experiences to be able to provide the leadership and/or guidance necessary to the board. All Trustees are required to sign and observe a 'Code of Conduct'.

Trustees have put members and the sustainable future of the Charity at the heart of their immediate and mid-term strategic decisions.

Organisation and Management

During the year ended 31st August 2021 the Guild comprised of the Board of Trustees, Head Office (CEO until 31st January 2021, and staff) and volunteers. In particular, volunteers working at Discover Bucks Museum and a volunteer managing insurance cover.

During the year ended 31 August 2021 the Guild had four employees (three full-time and one part-time). In addition, it contracted with sole traders, private limited companies, and PLCs, as appropriate, for network support, programming, magazine production services, accountancy, banking, and audit services and, from time-to-time, legal advice. The staff worked remotely from home with reliable communication links between each other and with the CEO.

Post year end due to further financial constraints the staff have been made redundant and the Trustees along with volunteers have taken on the administration of the Guild.

Membership

At the end of August 2021, the Guild had 4,116 adult members. These comprise Life Members and Individual Members. Young embroiderers are no longer required to be members of an affiliated independent stitch group.

Compliant with the law of England & Wales DBS (Disclosure and Barring Service) checks and the law in Scotland PVG (Protection of Vulnerable Groups) checks and records have been maintained and updated in 2020/21.

The Trading Company – EG Enterprises Ltd, a wholly owned subsidiary

The Guild's wholly owned subsidiary, EG Enterprises Ltd, sold its *Stitch* publication in January 2020 but continues to publish *Embroidery* magazine. The directors of EG Enterprises Ltd may be drawn from the Trustees, the staff and, subject to Board approval, external persons. EG Enterprises Ltd contracts with editors, designers, photographers, printers, subscriptions management providers, retail chain account managers, advertising agencies and distributors. It does not directly employ staff, nor does it have separate premises. However, it is assigned a share of Guild resources sufficient only to publish and distribute the magazine. EG Enterprises Ltd may develop new and alternative income streams, but it has no working capital. Taxable profits are 'gift aided' to the Guild.

The Embroiderers' Guild
Report of the Trustees
For the year ended 31 August 2021

Reference and Administration Details of the Charity, its Trustees and Advisors

President	Alice Kettle – Resigned April 2021
Trustees	Muriel Campbell (Chair of the Board) – Retired 30th September 2020
	Anthea Godfrey (Artistic Director)
	Anne Haigh – Appointed 8th July 2021
	Dr Penny Hill (Special interest - Social Media)
	Neil Hitchins – Appointed 12th January 2021
	Alex Messenger (Artistic Director for Young & Student Embroiderers)
	Helen Miller – Appointed 20th June 2021
	Amanda Smith (Special interest - Education)
	Elizabeth Smith (Special interest - Conservation) – Retired 31st December 2020
	Julie Stenning – Appointed 20th June 2021

CEO	Terence Murphy – Retired 31st January 2021
Registered Office	Embroiderers' Guild at Bucks County Museum, Church Street, Aylesbury HP20 2QP
Bankers	Unity Trust Bank plc, Four Brindley Place, Birmingham B1 2JB
Independent Examiners	Knox Cropper LLP, Chartered Accountants, 65 Leadenhall Street, London, EC3A 2AD
Company & Charity Registrations	Charity in England & Wales No. 234239 and Scotland SCO40142 Company limited by guarantee No. 00294310

Acknowledgements

The continued commitment and achievements of all staff, volunteers, and members, in whatever capacity they are working to make this year's achievements possible, is gratefully acknowledged by the Trustees.

This report has been prepared in accordance with provisions applicable to companies entitled to small companies' exemption.

This Report of the Trustees was approved on 10th May 2022 and signed on its behalf by:

Dr Penny Hill - Director / Trustee

The Embroiderers' Guild
Report of the Independent Examiner
For the year ended 31 August 2021

I report to the charity trustees on my examination of the financial statements of The Embroiderers' Guild ('the charitable company') for the year ended 31 August 2021.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. Our work has been undertaken so that we might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees, as a body, for our work or for this report.

Responsibilities and basis of report

As the charity trustees of the charitable company, (who are also the directors of the charitable company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited for this year under Part 16 of the 2006 Act. I report in respect of my examination of the charitable company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act') and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales ('ICAEW'), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in accordance with Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

James Holland-Leader FCA
Knox Cropper LLP
65 Leadenhall Street
London
EC3A 2AD

18th May 2022

The Embroiderers' Guild

Statement of Financial Activities (incorporating the Income and Expenditure Account)

For the year ended 31 August 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
		£	£	£	£	£	£
Income From							
Donations and Legacies	2	40,252	14,124	54,376	24,650	-	24,650
Other Trading Income	3	1,264	-	1,264	29,289	-	29,289
Investments	4	51	-	51	885	-	885
Charitable activities							
Member activities	5	50,378	-	50,378	296,380	4,988	301,368
Subscriptions	6	158,656	-	158,656	307,611	-	307,611
Other income		-	-	-	-	-	-
Total income		<u>250,601</u>	<u>14,124</u>	<u>264,725</u>	<u>658,815</u>	<u>4,988</u>	<u>663,803</u>
Expenditure on							
Raising Funds	7	12,530	-	12,530	16,921	-	16,921
Charitable activities	8						
Collection and curatorial		2,020	20,984	23,004	3,667	16,350	20,017
Member activities		137,356	117	137,473	438,826	5,298	444,124
Grant making		30,390	21,961	52,351	-	-	-
Education		21,182	-	21,182	27,195	5	27,200
Exhibition and shows		3,057	-	3,057	55,885	1,585	57,470
Young Embroiderers		33,802	2,880	36,682	55,733	675	56,408
Membership services		195,707	-	195,707	150,324	4,385	154,709
		<u>423,514</u>	<u>45,942</u>	<u>469,456</u>	<u>731,630</u>	<u>28,298</u>	<u>759,928</u>
Total expenditure		<u>436,044</u>	<u>45,942</u>	<u>481,986</u>	<u>748,551</u>	<u>28,298</u>	<u>776,849</u>
		<u>(185,443)</u>	<u>(31,818)</u>	<u>(217,261)</u>	<u>(89,736)</u>	<u>(23,310)</u>	<u>(113,046)</u>
Net (losses) /gains on investments	13	-	-	-	-	(964)	(964)
Net (expenditure)/income		<u>(185,443)</u>	<u>(31,818)</u>	<u>(217,261)</u>	<u>(89,736)</u>	<u>(24,274)</u>	<u>(114,010)</u>
Transfers between funds	18&19	79,143	(79,143)	-	32,861	(32,861)	-
Net movement in funds		<u>(106,300)</u>	<u>(110,961)</u>	<u>(217,261)</u>	<u>(56,875)</u>	<u>(57,135)</u>	<u>(114,010)</u>
Fund balances at 1st September 2020		324,409	358,343	682,752	381,284	415,478	796,762
Fund balances at 31st August 2021	15&16	<u>£218,109</u>	<u>£247,382</u>	<u>£465,491</u>	<u>£324,409</u>	<u>£358,343</u>	<u>£682,752</u>

The results for the year are all derived from continuing activities. There are no gains or losses other than those disclosed above.

The Embroiderers' Guild

Balance Sheet

As at 31 August 2021

	Notes	2021 £	2020 £
Fixed assets			
Intangible assets	11	-	25,826
Tangible assets	12(a)	-	-
Heritage assets	12(b)	10,000	10,000
Investment in subsidiary company	14	100	100
		<u>10,100</u>	<u>35,926</u>
Current assets			
Debtors	16	46,623	15,872
Cash at bank and in hand		482,372	711,651
		528,995	727,523
Creditors: Amounts falling due within one year	17	(73,604)	(80,697)
Net current assets		<u>455,391</u>	<u>646,826</u>
Total assets less current liabilities		<u>465,491</u>	<u>682,752</u>
Creditors: Amounts falling due after more than one year		-	-
Net assets		<u>£465,491</u>	<u>£682,752</u>
Capital and reserves			
Unrestricted	18	218,109	324,409
Restricted	19	247,382	358,343
		<u>£465,491</u>	<u>£682,752</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st August 2021.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 August 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profits or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable of the company.

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

The Embroiderers' Guild
Balance Sheet
As at 31 August 2021

The financial statements were approved by the Board of Trustees on 10th May 2022 and signed on its behalf by:

Dr Penny Hill - Director / Trustee

The notes on pages 13-24 form part of the financial statements.
Registered company Number 00294310
Charity Number 234239 (England), Charity Number SC040142 (Scotland)

1 Accounting policies

- 1.1 The Charitable Company is limited by guarantee and incorporated in England and Wales. A description of the nature of the Charity's operations and its principal activity is disclosed in the Board Report on pages 1.

The Charitable Company's registered office is stated on Page 8.

1.2 Basis of Preparation and Assessment of going concern

The accounts have been prepared under the historical cost convention with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Board has considered the impact of Covid-19 on the short and long term health of the Charity, and is content that the measures taken, combined with sufficient reserves, provides assurance that the going concern basis is appropriate in preparing the financial statements.

1.3 Preparation of consolidated financial statements

The financial statements contain information about The Embroiderers' Guild as an individual company and do not contain consolidated information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

1.4 Intangible assets

Intangible assets comprise externally acquired computer software and databases. These are carried at cost less accumulated amortisation and any recognised impairment loss. Intangible assets such as externally acquired computer software and software licences are capitalised and amortised on a straight-line basis over their useful lives of three to fifteen years.

Amortisation of intangible assets is calculated on a straight-line basis from the date of which they are brought into use, charged to support costs, and is calculated based on the useful lives indicated below:

Computer software and databases	3-15 years, or the lease term if shorter
---------------------------------	--

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

Estimation of Useful Life

The charge in respect of periodic amortisation is derived by estimating an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced amortisation charge in the Statement of Financial Activities.

The useful life is determined by management at the time the software is acquired and brought into use and is regularly reviewed for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the charitable company will receive benefits from the software.

1 Accounting policies (continued)

1.5 Heritage assets

The Guild maintains a collection of embroidery and related items. This collection of approximately 8,500 items has been built up over many years.

The original cost of individual items acquired historically is not available. Many items have been donated. The nature of the collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

1.6 Other tangible fixed assets

Other tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated at the following annual rates on the bases shown in order to write off each asset over its estimated useful life:

Computer equipment	33% of cost
Furniture, fittings and equipment	33% of written down value
Other assets – held by regions and branches	33% of cost

1.7 Investments

The investment in the subsidiary company is disclosed on the balance sheet at cost.

Investments are a form of basic financial investment and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

1.8 Stocks

Stocks have been valued at the lower of cost and estimated net realisable value.

1.9 Leases

Operating lease rentals are charged to the Statement of Financial Activities when payments to the lessor fall due. Currently no assets are held under finance leases.

1.10 Pension fund contributions

The pension costs charge represents the Charity's contributions to personal pension plans of staff members, and these are brought into account when payments arising to the scheme fall due.

1.11 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Legacies and donations are recognised when the Charity is entitled to receipt and the amount can be ascertained with reasonable certainty. Subscriptions and membership fees (other than Life Membership fees) are spread over the period covered by the subscription and amounts received in excess of the amounts credited are deferred. Life membership subscriptions once paid are not refundable. They are therefore credited as income in the year of receipt.

1 Accounting policies (continued)

1.12 Expenditure and cost allocation

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is recognised on an accruals basis.

Costs that relate direct to charitable activities or fund-raising activities of the Charity are charged to those activities. All other expenses are allocated on the basis of time spent by staff on the various activities.

Governance costs include the costs of administering the Charity as a legal entity and include costs of Trustees meetings, audit fees, other statutory costs and allocated to support costs.

The Charity is not registered for VAT and costs are disclosed inclusive of VAT where charged.

1.13 Funds

Unrestricted funds are donations and other incoming resources that can be used at the discretion of the Trustees for charitable purposes. Restricted funds are funds received from donors for specific activities. Expenditure which meets the criteria can be charged to the funds. Designated funds are unrestricted funds which have been earmarked by the Board for specific purposes.

1.14 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 Cash at bank and in hand

Cash bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.16 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.17 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 Significant judgements and estimates

The following are the critical judgements and key sources of estimation uncertainty that the Board has made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Useful life of intangible fixed assets

The Trustees reviews its estimate of the useful lives of intangible assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to future technological obsolescence of membership database software.

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

2 Voluntary income

	2021	2020
	£	£
Donations	8,357	7,427
Donations received by branches	4,927	17,223
Gift Aid	31,092	-
Legacies	10,000	-
	<u>£54,376</u>	<u>£24,650</u>

3 Other trading activities

Other income	654	16,610
Branch fundraising activities	610	12,679
	<u>£1,264</u>	<u>£29,289</u>

4 Investment income and interest

Investment income	-	124
Interest received by branches	51	761
	<u>£51</u>	<u>£885</u>

5 Member activities

Courses	6,846	-
Regional income	9,500	-
Activities by branches	34,032	301,368
	<u>£50,378</u>	<u>£301,368</u>

6 Subscriptions

Embroiderers' Guild	148,278	222,736
Retained by branches	10,378	84,875
	<u>£158,656</u>	<u>£307,611</u>

7 Raising Funds

Support Costs (Note 9)	12,227	14,667
Branch Fundraising	121	2,051
Fundraising costs	182	203
	<u>£12,530</u>	<u>£16,921</u>

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

8 Charitable Activities

	Direct Costs	Support Costs	Total 2021
	£	£	£
Collection and curatorial	15,056	7,948	23,004
Member activities	133,296	4,177	137,473
Grant making	47,460	4,891	52,351
Education	1,007	20,175	21,182
Exhibitions and shows	-	3,057	3,057
Young Embroiderers	-	36,682	36,682
Membership	10,315	185,392	195,707
	<u>£207,134</u>	<u>£262,322</u>	<u>£469,456</u>
	Direct Costs	Support Costs	Total 2020
	£	£	£
Collection and curatorial	16,350	3,667	20,017
Member activities	432,294	11,830	444,124
Grant making	-	-	-
Education	3,000	24,200	27,200
Exhibitions and shows	3,937	53,533	57,470
Young Embroiderers	675	55,733	56,408
Membership	9,511	145,198	154,709
	<u>£465,767</u>	<u>£294,161</u>	<u>£759,928</u>

Expenditure on grant making represents funding awarded to Independent Stitch Groups that affiliated to the Guild. Grants were awarded at £250 per ISG with additional amounts awarded where the Guild held funds restricted to use in the area served by an ISG.

9 Support Costs

	2021 £	2020 £
Staff costs & training	106,592	103,142
Less recharged to subsidiary CEO	(8,864)	-
Database & website	37,400	73,614
IT support & maintenance	13,426	25,151
Accounting & bookkeeping	13,165	8,796
Travel & Subsistence	25,650	33,715
Administration & office costs	925	9,293
Insurance	32,096	24,203
Amortisation of intangibles	8,031	11,830
Impairment of intangibles	3,664	3,664
Governance costs	22,162	-
Other	16,125	10,473
	<u>4,177</u>	<u>4,947</u>
	<u>£274,549</u>	<u>£308,828</u>

Included within Governance costs is £5,520 relating to the independent examination of the Charity (2020: £10,320 relating to audit).

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

10 Total resources expended

Total resources expended are stated after charging:

	2021	2020
	£	£
Auditor's remuneration	-	9,885
Independent examiner's remuneration	5,520	-
Depreciation	-	-
Amortisation	3,664	3,664
Impairment	22,162	-
Operating Lease Payments	5,263	20,019
	<u>5,263</u>	<u>20,019</u>

11 Employee Information
Staff Costs

	2021	2020
	£	£
Salaries	96,427	92,150
Social security costs	3,534	4,906
Pension	5,786	5,529
Other staff benefits	545	557
	<u>£106,292</u>	<u>£103,142</u>
The average number of staff employed (including part time members) during the year was:	<u>4</u>	<u>4</u>
Emoluments of the Board of Trustees	<u>£NIL</u>	<u>£NIL</u>

No employee was paid remuneration in excess of £60,000 (2020: Nil). No trustee received any remuneration in the current or preceding year. Key Management Personnel of the Charity comprises the Trustees and Chief Executive and total remuneration payable to them amounted to £37,400 (2020: £73,614).

11 Intangible fixed assets

	Computer Software
	£
Cost	
At 1 September 2020	36,640
Additions this year	-
Disposals	-
At 31 August 2021	<u>36,640</u>
Amortisation	
At 1 September 2020	10,814
Charge for the year	3,664
Impairment	22,162
At 31 August 2021	<u>36,640</u>
Net book value	
At 31 August 2021	<u>£ -</u>
At 31 August 2020	<u>£25,826</u>

12 (a) Tangible fixed assets

	Furniture, Fittings and Computer Equipment
	£
Cost	
At 1 September 2020	121,460
Additions this year	-
Disposals	-
At 31 August 2021	<u>121,460</u>
Depreciation	
At 1 September 2020	121,460
Disposals	-
Charge for the year	-
At 31 August 2021	<u>121,460</u>
Net book value	
At 31 August 2021	<u>£ -</u>
At 31 August 2020	<u>£ -</u>

All fixed assets were used for charitable purposes.

12 (b) Heritage assets

	£
Cost or valuation	
At 1 September 2020	10,000
Additions this year	-
At 31 August 2021	<u>£10,000</u>

12 (b) Heritage assets

The Guild maintains a collection of embroidery and related items. Proceeds from disposals of heritage assets amounted to £nil in the year ended 31/08/2021, £12,180 in the year ended 31/08/2020, £112 in the year ended 31/08/2019, £nil in the year ended 31/08/2018 and £78,466 in the year ended 31/08/2017.

The Guild has a permanent gallery at Bucks County Museum, which is available to members in business hours, 5 days a week. The Guild plans to continue to provide the general public with access to the travelling exhibition of the Collection. Though the Collection is insured for £642,000, this figure is for insurance purposes only and is not reflected as an asset in the accounts.

The original cost of individual items acquired historically is not available and many items have been donated. The nature of the Collection means that a sufficiently reliable method of valuation for accounting purposes is not available for items acquired prior to 1st August 2007. Items acquired subsequently are disclosed at cost.

13 Investments

	2021	2020
	£	£
Market value at 1 September 2020	-	25,883
Additions	-	-
Disposals proceeds	-	(24,919)
Net investment (losses)/gains	-	(964)
Market value at 31 August 2021	<u>£ -</u>	<u>£ -</u>
Historical cost at 31 August 2021	<u>£ -</u>	<u>£ -</u>

14 Investment in trading subsidiary

The Embroiderers' Guild holds 100% of the ordinary share capital (100, £1 ordinary shares) of E G Enterprises Limited, a company incorporated in England and Wales. The principal activities of the company are magazine publishing, tours and retailing, in connection with the craft of embroidery. A summary of its trading results is shown below:

	2021	2020
	£	£
Turnover	119,589	167,969
Costs of sales	(106,141)	(156,888)
Gross profit	<u>13,448</u>	<u>11,081</u>
Administrative expenses	(11,757)	(12,299)
Other operating income	548	42,034
Operating profit/(loss)	<u>2,239</u>	<u>40,816</u>
Interest receivable	-	-
Profit before taxation	<u>2,239</u>	<u>40,816</u>
Tax	213	-
Profit for the financial year	<u><u>£2,452</u></u>	<u><u>£40,816</u></u>

The aggregate capital and reserves of the company at 31 August 2021 was £6,509, 2020: £4,057.

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

16 Debtors

	2021	2020
	£	£
Trade debtors	483	221
Prepayments and accrued income	37,276	15,651
Other debtors	8,864	-
	<u>£46,623</u>	<u>£15,872</u>

17 Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	12,548	15,323
Taxes and social security costs	1,440	1,317
Other creditors	945	1,066
Accruals and deferred income	22,889	24,552
Amount due to subsidiary company	35,782	38,439
	<u>£73,604</u>	<u>£80,697</u>

18 Unrestricted Funds

	B/f	Income	Expenditure	Transfers	C/f
	01/09/2020				31/08/2021
	£	£	£	£	£
General (Guild Headquarters)	(356,748)	195,643	(312,910)	664,235	190,220
Branches and regions	593,020	54,958	(123,134)	(499,455)	25,389
Branches Support Fund	88,137	-	-	(85,637)	2,500
	<u>£324,409</u>	<u>£250,601</u>	<u>£(436,044)</u>	<u>£79,143</u>	<u>£218,109</u>

Unrestricted Funds

	B/f	Income	Expenditure	Transfers	C/f
	01/09/2019				31/08/2020
	£	£	£	£	£
General (Guild Headquarters)	(329,303)	246,898	(307,204)	32,861	(356,748)
Branches and regions	683,070	411,917	(441,347)	(60,620)	593,020
Branches Support Fund	27,517	-	-	60,620	88,137
	<u>£381,284</u>	<u>£658,815</u>	<u>£(748,551)</u>	<u>£32,861</u>	<u>£324,409</u>

General reserves represent funds freely available to further the objects of the Charity. The branches and regions fund represents resources held by the branches and regions, the majority of these funds have been transferred back to central funds during the year as part of the reorganisation of the Guild's structure.

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

19 Restricted Funds

	B/f			Gains/		Total
	01/09/2020	Income	Expenses	(Losses)	Transfers	31/08/2021
	£	£	£	£	£	£
De Denne Memorial Fund and Young Embroiderers	66,329	-	(2,880)	-	(60,465)	2,984
Folios	456	-	-	-	(456)	-
Broderers Annual Members	874	-	-	-	(874)	-
Collection	68,778	10,000	(20,984)	-	-	57,794
Madeira Fund	432	-	-	-	(432)	-
Teaching Support Nottingham	181,891	-	-	-	-	181,891
Regions and Branches	39,583	4,124	(22,078)	-	(16,916)	4,713
Total Restricted Funds	£358,343	£14,124	£(45,942)	£ -	£(79,143)	£247,382

	B/f			Gains/	Transfers	Total
	01/09/2019	Income	Expenses	(Losses)		31/08/2020
	£	£	£	£	£	£
De Denne Memorial Fund and Young Embroiderers	67,768	-	(475)	(964)	-	66,329
Exhibitions	2,029	-	(1,585)	-	(444)	-
Folios	456	-	-	-	-	456
Broderers Annual Members	874	-	-	-	-	874
Education Resources	5	-	(5)	-	-	-
Collection	117,545	-	(16,350)	-	(32,417)	68,778
Madeira Fund	632	-	(200)	-	-	432
Teaching Support Nottingham	181,891	-	-	-	-	181,891
Digital Resources	2,425	-	(2,425)	-	-	-
Database and Website	1,960	-	(1,960)	-	-	-
Regions and Branches	39,893	4,988	(5,298)	-	-	39,583
Total Restricted Funds	£415,478	£4,988	£(28,298)	£(964)	£(32,861)	£358,343

The restricted funds include the Regions and Branches fund (which consists of the restricted funds within all the regions and branches, usually recent project grants), the Collection fund (which represents funds received to support the costs of preserving the Guild's collection of embroidery items), the De Denne Memorial Fund (which represents funds received to be used for the benefit of young embroiderers) and the Teaching Support Nottingham Fund.

The Trustees have been unable to utilise the Teaching Support Nottingham funds so far due to the limited purposes applied to the funds. Subsequent to the year end, the Trustees have obtained permission from the Charity Commission to widen the purposes of this fund, so that the Charity can effectively use the funds whilst still recognising the intentions of the legator.

Transfers from restricted funds to unrestricted funds in the current and previous year represent a correction to the fund balances for expenses incurred in previous years which were charged against unrestricted funds, rather than the relevant restricted fund.

The Embroiderers' Guild
Notes to the Financial Statements
For the year ended 31 August 2021

20 Branches and Regions Financial Statements

Branch Income and Expenditure Account

	2021		2020	
	£	£	£	£
Income				
Net Subscription income		10,378		84,875
Donations and tax reclaimed		9,887		17,223
Bank Interest		51		761
Fundraising income		610		12,679
Meetings income	3,016		46,332	
Class, workshop and lecture income	20,972		131,558	
Exhibition and project income	2,179		18,107	
Sales table income	1,024		14,265	
Branch outings	883		32,972	
Regional day income	595		19,716	
Magazine subs received	-		950	
Library Loan Income	-		455	
Young Embroiderers income	191		6,928	
Other	24,167		30,085	
Less: amounts refunded by head office	(18,995)		-	
		<u>34,032</u>		<u>301,368</u>
Total Income		54,958		416,906
Expenditure				
Regional levy and affiliation fees	600		2,781	
Insurance	-		11,255	
Officers and committee expenses	460		7,979	
Meetings costs and expenses	11,721		92,715	
Class, workshop and lecture expenses	29,886		173,184	
Exhibition and projects expenses	3,390		17,434	
Branch outings	220		34,189	
Fundraising expenses	121		2,051	
Regional day expenses	3,267		19,889	
Office costs	10,772		16,244	
Branch magazine	596		1,079	
Magazine Income paid to Guild	-		-	
Young Embroiderers expenses	309		6,962	
Activity expenses paid from head office	36,113			
Other net expenses	25,779		59,564	
Total Expenditure		<u>123,234</u>		<u>445,326</u>
(Deficit) for the year		<u><u>£(68,276)</u></u>		<u><u>£(28,420)</u></u>

21 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total Funds
2021			
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	100	-	100
Current Assets	281,613	247,382	528,995
Current Liabilities	(73,604)	-	(73,604)
	<u>£218,109</u>	<u>£247,382</u>	<u>£465,491</u>
2020			
Intangible Fixed Assets	25,826	-	25,826
Tangible Fixed Assets	10,000	-	10,000
Investment Assets	100	-	100
Current Assets	369,180	358,343	727,523
Current Liabilities	(80,697)	-	(80,697)
	<u>£324,409</u>	<u>£358,343</u>	<u>£682,752</u>

22 Related Party Transactions

The Guild's Chief Executive Officer is an independent contractor who invoiced the Charity £51,800 (2020: £68,222) during the year for their services as Chief Executive Officer. £NIL (2020: £1,702) was owed to them at the year end.

Three trustees were reimbursed for computer expenses totalling £1,309 (2020: six trustees reimbursed for travel and overnight accommodation totalling £4,468).

At the year end, £35,782 (2020: £38,439) was owed by the Charity to its subsidiary, E.G. Enterprises Limited. The balance is interest free and repayable on demand.

23 Operating Lease Commitments

In the next twelve months the charitable company is committed to the following payments under operating leases which expire:

	Land and Building £	Office Equipment £
0 – 1 Year	2,406	-
1 – 2 Years	-	-
2 – 5 Years	-	-
	<u> </u>	<u> </u>

In addition, the charitable company has a minimum twelve month notice period under the agreement with Bucks County Museum for the storage and display of the collection and thus has a minimum commitment of £16,097 at the year-end date.